

Vitamin E Keeps Heart Healthier, Studies Show

By Jane E. Brody New York Times Service

NEW YORK — Two new studies of more than 120,000 men and women strongly confirm suggestions that supplements of Vitamin E can significantly reduce the risk of disease and death from fat-clogged coronary arteries.

The ongoing studies, by researchers at the Harvard School of Public Health and Brigham and Women's Hospital in Boston, showed that initially healthy people with the highest daily intakes of Vitamin E developed coronary disease at a rate about 40 percent lower than comparable men and women whose intake of this vitamin was lowest.

The preventive effects of Vitamin E occurred independently of any change in blood levels of cholesterol.

The greatest protection was found at levels of about 100 international units of Vitamin E a day over a period of more than two years. The federal recommended daily allowance for Vitamin E is 15 units; most Americans consume fewer than 25 units from ordinary foods, like vegetable oils, wheat germ, seeds, whole grains and nuts.

The researchers said Vitamin E, as an anti-oxidant, might reduce heart disease by having an effect on low-density lipoprotein cholesterol, the so-called bad cholesterol. Studies have shown that this type of cholesterol damages arteries primarily after it has been oxidized.

The findings, which appeared Thursday in The New England Journal of Medicine, are some of the first to find health benefits from taking large-dose vitamin supplements. Most medical experts have viewed "megadoses" of vitamins as a popular remedy whose value is unproven.

While a person might conclude from the new findings that it would be wise to take large doses of Vitamin E supplements daily, their long-term safety has not been established. But experts say many people take upwards of 400 units of Vitamin E supplements a day with no apparent adverse effects.

Although experts expressed enthusiasm for the results, the researchers who conducted the studies and independent scientists cautioned against "leaping on the supplement bandwagon," as Dr. Claude L'Enfant, director of the National Heart, Lung and Blood Institute, put it.

Dr. L'Enfant said that recommendations about taking Vitamin E supplements must await the completion of more stringent, long-term safety trials. Until then, he said, researchers cannot be sure that Vitamin E itself and not some other factor they neglected to account for was responsible for the reduction in coronary disease.

Experts also warned against relying on Vitamin E for protection instead of making the more difficult changes in diet, exercise, smoking and other habits that are known to affect coronary risk.

Dr. Michael Brown of the University of Texas Southwestern Medical Center, said, "Vitamin E may help to minimize the toxicity of LDL cholesterol, but the real problem is that the LDL levels we accept as normal are really unacceptably high."



TROOP MOVEMENT — Bosnian Serbian soldiers riding atop an armored vehicle Thursday near the northern Bosnian town of Brecko. In central Bosnia, Croats freed 1,000 Muslims under an accord seeking to end hostilities between the former allies. Page 2.

Russia Takes the Stage on Bosnia Policy

By Steven Erlanger New York Times Service

MOSCOW — With President Bill Clinton's plan to bomb the Serbs and arm the Bosnian Muslims shelved in the face of European opposition, Russia is trying to fill the policy vacuum, taking its most visible international role since the collapse of the Soviet Union.

The Russian foreign minister, Andrei V. Kozyrev, after a tour of Europe and the Balkans to try to organize support for a new Russian initiative, met Thursday with Secretary of State Warren M. Christopher in Washington. Mr. Kozyrev wants to begin carrying out the Vance-Owen peace plan despite formal Bosnian Serbian opposition, an approach that has brought skepticism from Washington.

Whether or not the new Russian initiative, strongly supported by Lord Owen, will have any better fate than Mr. Clinton's much-debated and stillborn efforts, the prominence of Moscow's effort offers a kind of coming-out party for the new Russian state.

Taken together with Moscow's use of its veto May 11 in the Security Council on an unrelated matter about peacekeeping on Cyprus, it is a

signal to the world that Russia is emerging from its shell-shocked confusion with more willingness to defend its status as a world power and less willingness to be taken for granted by Western diplomacy.

The spokesman for President Boris N. Yeltsin, Vyacheslav Kostikov, seemed to confirm this attitude at the Kremlin during a talk with reporters in Moscow.

"I think that Russia will regain its leadership in world politics," Mr. Kostikov said, according to Reuters. "I think that the European Community should participate in this process more actively, since America comes here with its initiatives but then goes away again while Europe remains on the spot."

Washington appears to regard the Vance-Owen peace plan, which it originally backed after a long policy review, as dead after Bosnian Serbs formally rejected it last weekend.

But Mr. Kozyrev urges the gradual carrying out of the plan anyway. He proposes an encirclement of the Balkan problem, allowing the United Nations "to extinguish it step by step."

Officials say the Russians are planning a new UN resolution that would combine various proposals already on the table but not yet approved, including a French proposal to create "safe areas" for various populations under threat; a plan to place peacekeeping troops in Macedonia and other adjoining republics, to deter any spread of the war, and the establishment of international monitors along the borders of the Vance-Owen map, to try to guarantee the security of the various Bosnian communities against further "ethnic cleansing" campaigns.

That has created a clear distinction from U.S. policy. The American position from early February has been to try to press the Serbs into agreement with the use of sanctions and threats. But Washington has said it will not take part in carrying out any peace plan until all sides have ratified a deal.

"We don't want troops on the ground who are not there at the invitation of all the parties,"

See RUSSIA, Page 2

China Calms Israel Over Mideast Missiles

BEIJING — China assured Israel on Thursday that it was not supplying missiles to Iran or Syria, as it did not want to put obstacles in the way of Middle East peace, diplomats said.

The Chinese foreign minister, Qian Qichen, told Foreign Minister Shimon Peres of Israel that "China does not sell missiles to Iran or Syria," a diplomat said.

Mr. Peres is visiting Beijing. The diplomat said that Mr. Qian, who is also a deputy prime minister, had given the assurance in response to a specific inquiry by Mr.

Peres about missile sales to the two countries. Mr. Qian did not acknowledge any past missile sales to either Iran or Syria, the diplomat added.

China and Israel established diplomatic relations in January 1992. Before that time, China was a staunch supporter of Arab states and a major arms supplier to them, although it asserted that it only sold weapons that could be used for self-defense.

The official Xinhua news agency quoted Mr. Qian as telling Mr. Peres that "being a permanent member state of the UN Security Council,

China maintains good relations with both the Arab and Israeli sides."

The agency said that Mr. Qian had promised that China would "continue to make efforts to promote the peace process in the Middle East."

Mr. Peres asked China to use its good connections with Arab countries to help find a solution to the Middle East conflict, diplomats said.

They said that Mr. Qian had suggested that China be the host of the next round of multilateral talks on the Middle East, scheduled for September, and that the talks concentrate on water use.

Clinton Camp Wants To Force Japan to Cut Trade Surplus by Half

Tokyo Is Ready With a Reply: Aides Suggest Confrontation In 3-Year Goal

By Paul Blustein Washington Post Service

TOKYO — Japan's huge trade surplus? It's a statistical mirage. Japan's closed markets? They're opening wider than ever.

Japan's peculiar business practices? They're becoming so much like America's that Japanese industry is losing its competitive edge.

That, at least, is the argument advanced in a report released Thursday by Japan's Ministry of International Trade and Industry. The report, an impassioned defense of Japan's trade system, reflects the growing anxiety in Tokyo that an ugly confrontation over trade is brewing with the Clinton administration.

In the report, the ministry pulls out all the stops in trying to rebut critics who charge that Japan's markets are uniquely difficult to penetrate and its economic system inherently tilted toward running huge surpluses of exports over imports. The report even suggests that the world need not be so terrified of Japanese industry, saying that its competitiveness has been weakened by bad business decisions and reduced working hours.

Whether the report will change any minds is questionable. But it underscores Tokyo's determination to resist demands from Washington for "managed trade," in which the two governments would set specific targets for increasing Japanese purchases of foreign products.

"This report is defending not only Japan," one of those who wrote the report said at a briefing for reporters this week. "It is to protect the world. We have to say 'no' to managed trade."

The report comes just as the United States seems to be taking a major step toward adopting precisely the sort of approach that the ministry is opposing.

Alarmed by what it sees emerging from Washington, Japan has been escalating its campaign against such managed-trade (also known as "results-oriented") policies. Tokyo has obtained backing for its position from Southeast Asian and Australian officials, who express concern that Washington is abandoning its traditional support for the global free-trade system based on the General Agreement on Tariffs and Trade.

A panel sponsored by the Ministry of International Trade and Industry issued another report recently that was especially critical of the United States for violating GATT rules.

But Japan's attacks on managed trade have also evoked derision because of the protectionist policies maintained by Tokyo during the 1950s, 1960s and 1970s. Only in recent years has it removed many of its governmental barriers to imports. When its minister of trade and industry, Yoshiro Mori, met with Indonesian officials last month, he heard support for his stand against managed trade—but also fielded complaints about problems that Indonesian companies still face in selling to Japan.

Undaunted, the ministry proclaimed itself "a champion of free trade" in its new report and sought to pick apart the case for forcing Japan

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Italy Reels as New Socialist Chief Quits

Craxi Heir Unable to Budge Old Guard

By William Drozdiak Washington Post Service

ROME — Italy's political revolution accelerated toward a showdown between the old guard and reformers Thursday after the Socialist Party leader, Giorgio Benvenuto, quit his post in disgust, blaming corrupt political barons for their reluctance to surrender power.

The second resignation in three months of a head of the Socialist Party, which has traditionally shared power with the dominant Christian Democrats, reflects the dramatic transformation of the political landscape. The revolution has gained momentum since a referendum April 18 and 19 in which voters approved the direct election of most senators and abolished state funding of parties.

Since then, the former governor of the Central Bank, Carlo Azeglio Ciampi, has become the first person outside politics to be appointed head of government in this century, and many

Italians have escalated their calls for a total renovation of the bankrupt political class that has dominated public life for four decades.

Mr. Benvenuto, a former trade union leader, was chosen in February to guide the Socialists out of the morass of bribery and kickback allegations that had toppled his predecessor, former Prime Minister Bettino Craxi, and devastated the 100-year-old party's standing with the public.

But Mr. Benvenuto quickly found himself stonewalled by entrenched party bosses who refused to make way for untainted politicians and sought instead to make him the scapegoat for the Socialists' financial woes. The party's debt has swelled to \$170 million, and hundreds of its workers have remained unpaid for months.

Even though 44 of the Socialist members of Parliament are facing criminal investigations on bribery charges, only one heeded Mr. Benvenuto's urging to resign and allow the party to rehabilitate itself.

"What we need is a Pied Piper of Hamelin to lead the rats away and into the river," Mr. Benvenuto said last month.

Financial contributions to the party, meanwhile, have dried up during the 15 months of the corruption investigation, which has focused largely on the huge kickbacks paid by enterprises to the ruling Socialists and Christian Democrats in return for public-works contracts. Last month voters abolished the state's annual stipend payment of \$70 million to the party.

"Socialism has a future in Italy but I don't know whether this party can survive," Mr. Benvenuto, 53, said at a meeting of party executives as he announced his resignation. Recent polls show that the party's support has plummeted to 5 percent.

His complaint demonstrates the difficulty that reformers have encountered in trying to purge the old political elite, even though the

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See ITALY, Page 4



Mr. Benvenuto on Thursday at party headquarters, where he announced his resignation.

A Royal Plan to Drape the World's Hotels in Green

By Erik Ipsen International Herald Tribune

LONDON — On Friday morning, Britain's highest-ranking environmentalist will stride to the lectern in the Great Hall of one of London's poshest hotels to launch his most ambitious green program to date.

The man who was christened more than four decades ago as Charles Philip Arthur George, and who in some parts of the world is best known simply as the estranged husband of Princess Di, will kick off an international campaign to convert the world's hoteliers into paragons of environmental virtue.

Under the phume and crown banner of the prince's sole international charity, the Prince of Wales Business Leaders Forum, the heads of 11 hotel chains with nearly a million rooms from Singapore to Stockholm are to endorse a fat new how-to manual, printed, naturally, on recycled paper. The manual covers the green gamut, from ways to save energy and water to advice on how to stain cheap and plentiful softwoods to look just like endangered tropical hardwoods.

The 11 chains are to commit themselves on Friday to promoting and publicizing the initiative as well as to sharing their environmental expertise. Beyond that, the thrust of the program is to lead by example rather than attempting to enforce a strict code of conduct. Consistent with that soft sell, the manual is well stocked with inspirational examples of eco-friendly measures taken by hotels around the world, and its loose-leaf format has purposely left room for additions to that store of inspiration.

For the prince it will be an opportunity to demonstrate that international fame and a lofty title can find better uses than providing lift for endless articles on the stifling and sorry state of palace life.

In many ways both the hotel initiative and the three-year-old Business Leaders Forum mirror both the strengths and weaknesses of Prince Charles, who has been accused of lacking follow-through for his idealistic works.

"The Prince is a brilliant convener of people," said Wendy Twist, the forum's coordinator for the hotels initiative. "He can bring together people who wouldn't normally sit in the same room together: businessmen, ecologists, government leaders."

The mere existence of the Business Leaders Forum stands as a testament to that drawing power. Its directors include the heads of companies ranging from Coca-Cola Co. to British Petroleum PLC to ABB Asea Brown Boveri Ltd.

So does the existence of the hotel initiative, which had its origins in an environmental manual written two years ago for the Inter-Continental Hotel chain. Convinced he had a valuable tool to achieve global good, the chain's then-chief executive, Jan van Praag, decided to try to put it in wider circulation.

"I told the prince that as long as it had the Inter-Continental imprimatur on it it won't go any further but if it had his prestige behind it it could," he said. At a luncheon several weeks later the prince endorsed the idea of creating a manual to guide good environmental practice, and some of the hotel industry's leading figures agreed to share for the moment their competitive zeal and to collaborate on its creation.

It is a model its backers hope to see adopted by other industries. The problem for the forum as its prime mover in that endeavor is that it is burdened with a list of priorities long enough to occupy the entire staff of the United Nations. Its interests range from the future of the world environment to coping with the fall of communism in Eastern Europe. On top of that the forum has a schedule of meetings that jumps with blinding speed from Latin America to Asia to Europe.

"I agree it is ambitious," said Lord Young, executive chair-

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Kiosk European Treaty Clears Commons LONDON (Reuters) — The House of Commons passed a bill Thursday to ratify the Treaty on European Union. The vote was 392 to 111. The main opposition Labor Party abstained in the Commons vote, ensuring the Conservative government would win.

JAN 16 1993

STATESIDE / CONTAINING THE REVOLTS

Senate Bipartisan Group Wants, and Clinton Rejects, More Spending Cuts

WASHINGTON — A small but influential bipartisan group of senators proposed stripping the energy tax and some other levies from President Bill Clinton's deficit-reduction plan Thursday and replacing them with additional spending cuts in Medicare and other benefit programs.

With a week to go before the House of Representatives votes on a bill containing \$340 billion of the budget cuts, the senators' proposal introduced an unpredictable new factor. House Republicans are expected to oppose Mr. Clinton's deficit-reduction bill with virtual unanimity, and many conservative Democrats have been threatening to try to derail it unless the spending cuts are increased.

It would also impose a cap on spending for government benefit programs, beginning in 1995. The plan would also reduce the annual increases given to some recipients of Social Security benefits, retired U.S. government workers and people getting federal benefits.

Mr. Clinton — increases that they hope to trim. The aides said the plan would "dramatically" increase cuts in spending programs, particularly entitlement programs like Medicare and Social Security. The coalition could pose a formidable challenge to Mr. Clinton's tax bill when it reaches the Senate Finance Committee.

With virtually all 176 Republicans in the House expected to vote against the tax bill next week, it would only take about 40 Democratic defections to give Mr. Clinton what would be a crippling defeat.

POLITICAL NOTES



WHITE HOUSE CUT — Hillary Rodham Clinton sporting a new, shorter hairstyle at a bill-signing session Thursday in Washington.

tor, Ricki Seidman, said that she did not know precisely when the Clintons had begun preparations for the trust, but that the move had been in the works for weeks.

Between \$50,000 and \$100,000 of their money is in a mutual fund run by Smith Capital Management, Inc., a Little Rock, Arkansas, investment company in which Mrs. Clinton has held shares since 1986.

As head of the administration's health-care task force, Mrs. Clinton clearly would have some potential impact on the stock of virtually any company connected with health care.

But no law required Mrs. Clinton to sell her holdings or place them into a trust, because she is not a government employee.

Copters Grounded After Crash — Military officials grounded VH-60N Black Hawk helicopters in the presidential fleet Thursday, a day after one of them crashed, killing four crewmen.

The VH-60Ns, built by Sikorsky Aircraft, are a modified version of the UH-60 Black Hawk used by the army and navy. The decision will not affect any UH-60s, Mr. Wright said.

Exodus From an Arkansas Club — Webster Hubbell set off a wave of resignations from the Country Club of Little Rock by White House officials after he announced he was quitting the virtually all-white club during a confirmation hearing for a top Justice Department job.

Clinton's who landed White House jobs not requiring Senate approval — Chief of Staff Thomas F. (Mac) McLarty, Deputy Counsel Vince Foster and Bill Kennedy, associate counsel to the president — were also resigning, said Ms. Seidman, of the White House communications staff.

Clinton, signing the "motor voter" law, which requires states to allow people to register to vote when applying for driver's licenses and government benefits, or when enlisting in the armed services.

A deputy White House communications director, Ricki Seidman, said that she did not know precisely when the Clintons had begun preparations for the trust, but that the move had been in the works for weeks.

Packwood Clears One Hurdle

WASHINGTON — The Senate Rules and Administration Committee voted unanimously Thursday to dismiss petitions to unseat Senator Bob Packwood on grounds that he defrauded Oregon voters in the election in November by lying about allegations of sexual misconduct.

Committee members also questioned the petitioners' argument that Mr. Packwood, a Republican, would have lost his election to a fifth term, which he won by 78,000 votes, if his supporters had known in advance of the allegations against him.

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Away From Politics

The World Trade Center bombing was planned by about a dozen people, investigators said as a sixth suspect, Mohammed Ahmad Ajaj, 27, was indicted in the fatal blast in New York on Feb. 26.

Ten U.S. military women are training to become combat pilots and some of them will be in navy combat squadrons by the end of the year, military chiefs told the Senate Armed Services Committee.

Punishment was ordered for four navy officers, all of junior rank, as disciplinary proceedings began in the Tailhook sex-abuse scandal. The officers, none of whom was identified, all had been accused of indecent exposure.

A man who accused his female boss of sexually harassing him has been awarded more than \$1 million in damages by a Los Angeles jury, his lawyer said.

The head of Empire Blue Cross and Blue Shield has resigned following a meeting of the board of the New York nonprofit health insurer, which is the largest in the nation. Albert Cardone said he was stepping down as chairman and chief executive officer because of a "desire to pursue other interests" and for family reasons.

Quote / Unquote

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Pentagon Is Working To Reduce 'Fratricide'

By Malcolm W. Browne

WASHINGTON — U.S. military planners hope that in future wars, technology will reduce the toll of Americans accidentally killed by their own side.

But army analysts have concluded from a study of historical records that about 15 percent of the casualties in modern wars have been fratricidal or by "friendly fire."

During the Gulf War, in 1991, American military leaders were shocked by the high proportion of "blue-on-blue" casualties, as the army calls them.

According to Colonel David O. Bird, special assistant for combat identification to the chief of the Army Materiel Command, 17 percent of the 613 battle casualties suffered by U.S. forces during the Gulf War (including 35 killed) were caused by American fire.

The initiative bore several trademarks of Mr. Aspin's emerging style at the helm of the Pentagon: close attention to symbolism and congressional politics, a thirst for measurable data and determination to increase the clout and coherence of civilian oversight.

Aspin Vows to Save U.S. Combat Edge

By Barton Gellman

WASHINGTON — Declaring that there is "increasing and anecdotal evidence of softness" in the U.S. military's readiness to fight, Defense Secretary Les Aspin has begun a high-profile effort to detect and correct "early warning signs" that the force might lose its decisive combat edge.

The campaign-style initiative, the only concrete expression of which was the appointment of a task force of retired generals and admirals, reflected growing concerns among senior officers that fighting readiness will be harmed by budget cuts and by the introduction of women in combat roles and open homosexuals in uniform.

Measures of readiness include statistics on whether a unit is fully manned and has required stocks of basic equipment and spare parts. But it often takes on a broader meaning in U.S. military parlance, involving trade-offs between the three main ways to spend money on defense: the size of the force, its equipment and the tempo at which it conducts operations and maintenance.

The panel has a mandate to look at all those factors.

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Working Papers Obtained by The Washington Post

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At a staff meeting on April 28, according to minutes taken there, the deputy defense secretary, William J. Perry, said the readiness panel "symbolically is a good way of expressing SecDef's intent and commitment."

But he also warned that Mr. Aspin would "be stuck with a 'report card'" and that the outcome of the initiative would "be an obligation for strong remedial action."

Mr. Aspin's first months on the job have been dominated by agendas that the armed services dislike or see as distractions: spending cuts, explosive social changes involving women and homosexuals, and the use of military assets for humanitarian missions in such places as Somalia and the Balkans.

The announcement of the panel's formation was the second high-profile move in recent days aimed at repositioning Mr. Aspin as the protector of America's core military strength.

Mr. Aspin appointed a retired general, Edward C. Meyer, to head the task force. It was General Meyer who issued a famous warning as

Army Chief of Staff in 1980 that cuts in training and maintenance had left a "hollow army."

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Herald Tribune

After Denmark's 'Yes'

Which Europe Won?

It was the idea of European union, rather than the specifics of the Maastricht treaty, that Danish voters finally said "yes" to on Tuesday.

A Future to the East

Denmark's solid vote Tuesday in favor of a revised Treaty on European Union came as an enormous relief to most of Europe's political establishment.

A Good Spin on Spending

At President Bill Clinton's town meeting in San Diego, Lorne Fleming, a businessman, asked the president an excellent question: "Can you name one country that has ever taxed and spent itself back into prosperity?"

Other Comment

Back Into Low Gear

Europe is like an engine that has broken down: blocked by economic problems and by the Bosnian tragedy, it lacks the fuel of social consensus and of political enthusiasm.

No More Room in Europe?

For Asians considering proposals for a new regional trade group, the European Community is a lesson in how not to pro-

European leaders made a serious mistake when they refused to develop democratic institutions to carry out the European Community's expanded role.

wondered whether the rush to unify would obliterate national cultures, especially in a smaller country like Denmark.

deficit than pro-spending. As a result, he usually sends mixed messages, as he did in San Diego: He told Mr. Fleming how frugal he is, while describing to other questioners all the wonderful things he would like the government to do on behalf of displaced military workers, unemployed young people, welfare recipients — and so on.

eed. For years now the EC has broken down barriers among its 12 members. So far so good. The problem is that Eurocrats appear bent on replacing many internal trade walls with a mammoth external one.

We would like to suggest the ultimate test of trade agreements: Genuinely pro-trade zones will be eager to embrace new members. Free markets are founded on the assumption that the more participants, the greater the wealth.

China, the Next Superpower? Where the Giant Stands

SHANGHAI — Lee Kuan Yew, the tough and highly successful former prime minister of Singapore, says that Asia needs to rely on the United States and Europe for another generation, but then, by 2020, "Asia will be unstoppable."

Yes, it is huge, and relentlessly determined to catch up. But it isn't the celestial kingdom; it isn't a dragon monster about to set the world aflame.

national product will overtake that of the United States in a decade, double Japan's and triple Germany's, with per capita income rising from the current annual \$300 to \$7,300.

Drop the Stick, Grow With the Chinese

TOKYO — How to deal with China will be a critical strategic issue for the 1990s, and what role China sees for itself in the world will affect the balance of relations in Asia.

China will evolve; change is inevitable. As Communist ideology withers away in the consciousness of the Chinese people and leadership, and the economy becomes more complex, a looser and more differentiated political system may well develop.

Bosnia: With American Help, the New European Plan Can Work

B RUSSELS — Having been unable to obtain allied agreement to the proposal to arm Bosnian Muslims while carrying out air strikes, President Bill Clinton appears to be happy to wash his hands of the matter.

Clinton's Muddling Carries a High Cost

WASHINGTON — In American politics, domestic issues are debated with a keen sense of urgency. Problems are called "crises" and are said to require immediate action.

People — not officials — with whom I spoke did not care and have lost interest in politics. The concern is making money and "going to the sea."

Decentralization has already reduced the government's monopoly of economic power. Localities are forging ahead, eager for profits.

European socialists wonder how that is supposed to differ from their own social-democratic mixed economy, and nobody gives a clear answer.

By Goh Chok Tong

Mr. Goh is prime minister of Singapore. national environment that it regards as threatening to its interests.

China will evolve; change is inevitable. As Communist ideology withers away in the consciousness of the Chinese people and leadership, and the economy becomes more complex, a looser and more differentiated political system may well develop.

By Frederick Bonhart

formulating a policy and sticking to it. It is not that he lacks what Mr. Bush called "the vision thing." It is that he is all vision and little implementation.

By Richard Cohen

WASHINGTON — In American politics, domestic issues are debated with a keen sense of urgency. Problems are called "crises" and are said to require immediate action.

Superspower has long been a dirty word in Beijing's lexicon, meaning the United States and the Soviet Union when they were seen as hegemonic threats.

Like its counterparts elsewhere, the military is having trouble rewriting training and equipment plans with no well-defined menace, and it complains about its budget, which it says isn't keeping up with inflation.

China's relations with Hong Kong and Taiwan are increasingly influenced by a web of economic and personal ties.

By Flora Lewis

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There are still traces here of the old superiority/inferiority complex, which claim special terms, both because China is great and will be greater, and because China is weak and has suffered.

China's relations with Hong Kong and Taiwan are increasingly influenced by a web of economic and personal ties.

China will evolve; change is inevitable. As Communist ideology withers away in the consciousness of the Chinese people and leadership, and the economy becomes more complex, a looser and more differentiated political system may well develop.

By Goh Chok Tong

Mr. Goh is prime minister of Singapore. national environment that it regards as threatening to its interests.

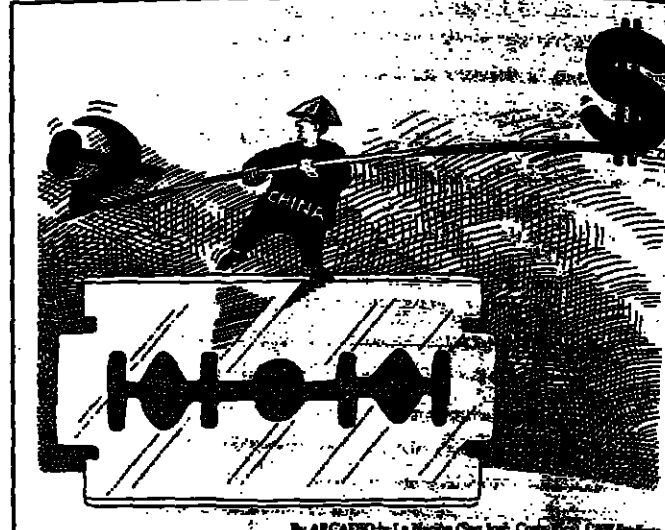
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region after U.S.-Japanese relations. They will become even more important than the U.S.-Japanese relations in 15 to 20 years.

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1893: Abomey to Elysee

PARIS — General Doda was received yesterday (May 20) by the President in his private apartments in the Elysee.

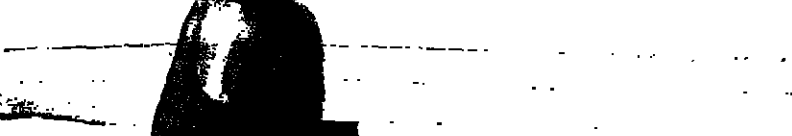
1943: Jungle Raiders

A BRITISH BASE ON THE BURMA FRONTIER — From New York edition: A super operation by British and French troops which for three months has kept them busy on a 300-mile wide area of jungle.

1918: Trial for Ex-Czar

PETROGRAD — The Russian State announces that a Bolshevik commission presided by the ex-Maximalist generalissimo, Krimka, has given orders for the trial of the ex-czar on charges of having made a coup d'etat, modified the electoral law of the Duma and illegally distributed public funds.

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UN Clears Cambodians to Defend Voters

Compiled by Our Staff From Dispatches
PHNOM PENH — United Nations peacekeepers, alarmed by Khmer Rouge threats to disrupt the national election next week, authorized other Cambodian factions on Thursday to carry out attacks to protect polling stations.

UN peacekeepers also said they would not hesitate to return fire to protect voters.

The UN military commander, Lieutenant General John Sanderson of Australia, gave the authorization for offensive action.

He told a meeting of faction leaders in Phnom Penh that the

three armed groups still taking part in the May 23-to-26 election would be allowed to conduct offensive operations to protect polling sites.

"Clearly in some cases there is a need for offensive action," the general said. But he asked the factions to inform the UN Transitional Authority in Cambodia of any proposed military action.

The UN authority spokesman, Eric Falt, said three more members of opposition political parties had been killed and more than a dozen wounded in attacks in two days.

Mr. Falt spoke shortly after the head of the UN peacekeeping force, Yasushi Akashi of Japan, de-

clared that the campaigning for the election, now formally ended, had been "a great success."

Mr. Akashi said: "Perhaps this will not be an election that meets the highest standards of the more mature democracies in every respect. But I can say with every confidence that this election will certainly be the freest and fairest in Cambodia's recent history."

He also told a meeting of the Supreme National Council that while the goal of the peacekeepers was "restricted to self-defense," it still included "the right to defend our mission."

"We do not hesitate to return fire

vigorously if attacked. We will be equally vigorous in defense of the Cambodian elections."

Cambodian voters will vote starting Sunday under the threat of violence from the Khmer Rouge guerrilla faction, which has refused to take part in the elections. The voting ends Friday.

The Khmer Rouge representatives did not attend the meeting of the Supreme National Council, which normally groups the leaders of the four major Cambodian factions.

Prince Norodom Sihanouk, the country's appointed head of state, announced in Beijing that he would return home for the elections but that, to preserve his "neutrality," he would not cast a ballot.

In an overnight attack on the central town of Stung, a platoon of UN soldiers was forced from its barracks and had to dive into bunkers as a large Khmer Rouge force encircled the town straddling the main road leading to northern Cambodia.

Fierce fighting followed between the guerrillas and Phnom Penh government soldiers, UN military observers said.

Indonesian peacekeepers evacuated four military observers and three other UN civilian officials from the town by armored vehicle, Mr. Falt said.

Stung, about 220 kilometers (135 miles) northwest of Phnom Penh, straddles Route 6 linking Siem Reap in the northwest and the central provincial capital of Kompong Thom to the southeast. It has been the scene of frequent clashes between factions.

Two opposition groups, the royalist Funcinpec and the Buddhist Liberal Democratic Party, issued a statement saying the level of political violence remained "most worrisome" and that those responsible for breaking the electoral law should be disqualified from the polls.

Funcinpec is the government's main electoral opponent and has been the worst hit by political violence. The name is the French acronym for the National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia.

More than 30 of its members have been killed since last summer in attacks that UN officials have linked to government forces.

Mr. Akashi said the UN authority would soon release a report on all recent incidents of political violence and intimidation and say what action should be taken.

Attention has focused on threats that the Khmer Rouge would disrupt the elections. But much of the pre-election violence has been blamed on the government in Phnom Penh, which was installed by the Vietnamese after they ousted the Khmer Rouge in 1979.



Government troops moving Thursday on national Route 3, about 150 kilometers south of Phnom Penh, after reopening the road.

Fears of Postelection Turmoil

Khmer Rouge Threat Puts ASEAN and U.S. on Edge

By Michael Richardson

SINGAPORE — When peacekeeping forces of the United Nations began arriving in strength in Cambodia more than a year ago, countries of the Association of South East Asian Nations breathed a sigh of relief and turned their attention to other regional problems.

But now there are fears that the Cambodian elections next week may result in increased political conflict and bloodletting, despite the presence of the United Nations, prompting ASEAN to refocus urgently on an issue that for more than a decade was its chief concern.

The prospect of Cambodia again becoming a source of regional instability has put it "back at the forefront" of security concerns for countries in Southeast Asia, a Western diplomat said Thursday.

In two days of talks in Singapore that will end Friday, senior officials of ASEAN, the United States, Japan, Canada, Australia, New Zealand and South Korea are trying to work out a common strategy to strengthen any credible government that emerges from the elections to prevent another bloodbath in Cambodia.

ASEAN comprises Indonesia, Malaysia, the Philippines, Singapore, Thailand and Brunei.

Winston Lord, the U.S. assistant secretary of state for East Asian and Pacific Affairs and leader of the U.S. delegation to the Singapore talks, said that there was "considerable unanimity of views about the Cambodian situation."

He rejected a suggestion that the United Nations might wash its hands of Cambodia and let the country slide back into full-scale civil war.

"I don't believe either regional security considerations or human conscience would allow such abdication of international responsibility," Mr. Lord said.

The worst fear of ASEAN is that postelection conflict might force the United Nations out and recreate conditions that would draw Vietnam, China and Thailand back into fray.

In a recent interview in Jakarta, a retired Indonesian military commander said he was worried that ultranationalist Khmer Rouge guerrillas might exploit postelection turmoil to step up attacks against tens of thousands of Vietnamese living in Cambodia.

He warned that this could provoke Vietnam to intervene to protect its kinsmen and prompt China

to change its policy of noninterference in Cambodian affairs.

In response to a UN appeal, countries of the region, including Australia, Indonesia and Singapore, have rushed helicopters and armored personnel carriers to their contingents serving as peacekeepers in Cambodia. The aim is to improve protection for the voting that begins Sunday and ends May 28.

The Khmer Rouge, held responsible for the deaths of as many as 2 million Cambodians from 1975 to 1979, has vowed to disrupt the vote, saying it would only serve to legitimize the government of Prime Minister Hun Sen, which was installed by the Vietnamese.

NEWS ANALYSIS

Officials of countries taking part in the Singapore talks say that all participants want to see a strong voter turnout and a result that the United Nations will be able to approve as reasonably free and fair.

But it is far from certain that any party or coalition will emerge with the majority support needed to approve a new constitution and form a government.

Some ASEAN and Western countries believe that a presidential election may need to be quickly organized by the United Nations to buttress political stability.

They want Prince Norodom Sihanouk, the country's appointed head of state, to become the first elected president because he is thought to have broad popular support and may be able to persuade the Khmer Rouge to halt their campaign of violence.

A Western diplomat said that Prince Sihanouk was the only Cambodian leader who had any credibility with the Khmer Rouge.

"Sihanouk has always said that the country needs the Khmer Rouge in the political mainstream because if they remain outside they will be much more dangerous," the diplomat said.

Any attempt by Cambodia's new political leaders to seek reconciliation with the Khmer Rouge, however, is bound to be controversial.

Mr. Lord indicated that the United States would take a dim view of any attempt to include the Khmer Rouge in a government of national union in Cambodia.

Canadian Soldiers Are Charged in Death of Somali

OTTAWA — Four Canadian soldiers have been charged in the torture and murder of a Somali man two months ago while on peacekeeping duties.

A Defense Ministry statement said that Corporal Clayton Matchee and Private Elvin Brown were charged with torture and second-degree murder in connection with the March 16 death of Shidane Abukar Arone in Belet Un.

Sergeant Mark Boland and Private David Brocklebank were charged with torture.

Mr. Arone was allegedly beaten to death in a cell after he was detained inside the military compound in Belet Un, 260 kilometers north of Mogadishu.

"It is the first time a Canadian soldier has been charged with torture," the army's judge advocate general, Brigadier General Pierre Boutet, said at a news conference.

It is also the first time a Canadian peacekeeper faces murder charges, tarnishing Canada's prestigious tradition as a United Nations peacekeeper that goes back to the 1956 Suez Canal crisis.

The men belong to the Airborne Regiment, Canada's equivalent to the U.S. Green Berets.

ASIAN TOPICS

Child Labor in India Won't Be Over Soon

Child labor is a necessary evil in India, Labor Minister Puzos Sangma says, but the government will confer with employers with a view to eradicating the practice eventually.

The government says there are about 17 million children under 14 working in India, even though it is illegal. The independent South Asia Coalition on Child Servitude puts the number at 55 million.

Mr. Sangma said most children worked in glassmaking, match manufacturing, diamond polishing and carpet weaving.

"In some areas," he said, "child labor is a necessary evil. It is unrealistic to say we will eliminate child labor in, say, five years. But our objective is clear — one day it should end. And that day should come as soon as possible."

Around Asia

The nephew of the guide who accompanied Sir Edmund Hill-

ry up Mount Everest fell to his death while descending the world's tallest peak after a successful climb, the Nepal Tourism Ministry has announced. Lobrang Tshering Bhutia, 41, had been retracing the footsteps of his uncle, Tenzing Norgay, to mark the approaching 40th anniversary of the first successful ascent on the 29,028-foot (8,850-meter) summit May 29, 1953.

Indonesian couples who want to marry in the rice-growing West Java district have been told to bring along a large sack of water snails when they apply for marriage licenses. It is part of a campaign over the past 18 months to stamp out the snails. Introduced as feed for duck farms, they have been devouring rice crops.

A teenager who smoked nonstop for three hours in an endurance contest in rural China won the competition and immediately collapsed and died, a newspaper reported. The China Commercial News said six teenagers died in the contest in Henan Province. It said the winner, whose precise age was not given, "was overjoyed by his success, but suddenly felt dizzy and dropped to the ground dead."

The dangers of cigarette smoking have hardly made a ripple in China; two-thirds of men smoke.

After searching employees in an unsuccessful effort to trace a shortage of 5,000 Malaysian dollars (\$2,000), a bank in Malaysia's Kelantan state called in a traditional *brayat*, or witch doctor. He blessed drinking water, which the 22 employees were then asked to sip. A spokesman for the Traditional Medicines Association of Malaysia said getting people to drink water blessed by witch doctors "would make culprits feel guilty and eventually return the items." This has yet to happen, but some employees are fuming. The National Union of Bank Employees demanded an apology from the bank. "We are living in the 20th century," a union spokesman said.

Bringing peace to Cambodia is uphill work, even symbolically. In a Phnom Penh election rally this week, Son Samn, leader of the Buddhist Liberal Democratic Party, freed about a dozen caged doves in a peace ceremony attended by 2,000 people. But instead of soaring into the sky, half the birds fluttered helplessly to the ground because their wing feathers had been clipped. United Nations-sponsored elections for a constituent assembly are scheduled to start Sunday.

Arthur Higbee

Continued crisis in Bosnia
Maastricht ratification by Britain
The coming Cambodian elections
The Japanese trade surplus
Middle East peace talks

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— hand delivery D.M.	700	385	210
Great Britain £	850	470	280
Greece Dr.	210	115	65
Ireland £	75,000	41,000	22,000
Italy Lira	230	125	68
— hand delivery Lira	500,000	270,000	160,000
Luxembourg L.F.	14,000	7,700	4,200
Netherlands Fl.	770	420	230
Norway N.Kr.	3,500	1,900	1,050
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Switzerland S.Fr.	610	330	190
Rest of Europe, N. Africa (airmail) French African Middle East	630	345	190
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After Denmark's 'Yes'

Which Europe Won?

It was the idea of European union, rather than the specifics of the Maastricht treaty, that Danish voters finally said "yes" to on Tuesday.

European leaders made a serious mistake when they refused to develop democratic institutions to carry out the European Community's expanded role.

A Future to the East

Denmark's solid vote Tuesday in favor of a revised Treaty on European Union came as an enormous relief to most of Europe's political establishment.

wondered whether the rush to unity would obliterate national cultures, especially in a smaller country like Denmark.

A Good Spin on Spending

At President Bill Clinton's town meeting in San Diego, Lorne Fleming, a businessman, asked the president an excellent question: "Can you name one country that has ever taxed and spent itself back into prosperity?"

deficit than pro-spending. As a result, he usually sends mixed messages, as he did in San Diego: He told Mr. Fleming how frugal he is, while describing to other questioners all the wonderful things he would like the government to do on behalf of displaced military workers, unemployed young people, welfare recipients — and so on.

Other Comment

Back Into Low Gear

Europe is like an engine that has broken down: blocked by economic problems and by the Bosnian tragedy, it lacks the fuel of social consensus and of political enthusiasm.

For years now the EC has broken down barriers among its 12 members. So far so good. The problem is that Eurocrats appear bent on replicating many internal trade walls with a seamless external one.

No More Room in Europe?

For Asians considering proposals for a new regional trade group, the European Community is a lesson in how not to pro-

We would like to suggest the ultimate test of trade agreements: Genuinely pro-trade zones will be eager to embrace new members. Free markets are founded on the assumption that the more participants, the greater the wealth.

China, the Next Superpower? Where the Giant Stands

By Flora Lewis

SHANGHAI — Lee Kuan Yew, the tough and highly successful former prime minister of Singapore, says that Asia needs to rely on the United States and Europe for another generation, but then, by 2020, "Asia will be 'unstoppable.'"

Decentralization has already reduced the government's monopoly of economic power. Localities are forging ahead, eager for profits.

Yes, it is huge, and relentlessly determined to catch up. But it isn't the celestial kingdom; it isn't a dragon monster about to set the world aflame.

national product will overtake that of the United States in a decade, double Japan's and triple Germany's, with per capita income rising from the current annual \$300 to \$7,300 were pooled, both by Chinese officials and many Western experts.

The proclaimed goal is a "socialist market economy," a unicorn in no one's zoo, although economic officials privately say more candidly that development is the goal, reform is the method and nothing can be achieved without stability — a bugaboo with real meaning given China's history.

Drop the Stick, Grow With the Chinese

By Goh Chok Tong

Mr. Goh is prime minister of Singapore.

TOKYO — How to deal with China will be a critical strategic issue for the 1990s, more so than the Chinese sees for itself in the world will affect the balance of relations in Asia.

national environment that it regards as threatening to its interests. One such interest is the preservation of China's political culture with its strong political controls.

All the leaders I met during a recent visit to China, whether in Beijing or the provinces, were united behind Mr. Deng's economic reforms and open-door policy.

As China emerges as a great power, Asia-Pacific countries have a common interest in keeping China peacefully engaged with nations in the region.

China will evolve; change is inevitable. As Communist ideology withers away in the consciousness of the Chinese people and leadership, the economy becomes more complex, a looser and more differentiated political system may well develop.

As China emerges as a great power, Asia-Pacific countries have a common interest in keeping China peacefully engaged with nations in the region. We should build economic, political and other links that will give China a deep and enduring interest in maintaining international order.

But the rise of China as an economic power cannot be stopped. So that it can pursue economic reform, Beijing will want a peaceful international environment and constructive relations with its neighbors.

Relations between China and Japan are the key relationship in the Asia-Pacific region. Management of this bilateral relationship will become a major focus of international relations, just as East-West alignments were during the Cold War.

Bosnia: With American Help, the New European Plan Can Work

By Frederick Bonnant

BRUSSELS — Having been unable to obtain allied agreement to the proposal to arm Bosnian Muslims while carrying out air strikes, President Bill Clinton appears to be happy to wash his hands of the matter.

security Council and Russia, a fourth, a willing partner, much could be achieved by NATO unity. But this unity is being severely strained.

Clinton's Muddling Carries a High Cost

By Richard Cohen

WASHINGTON — In American politics, domestic issues are debated with a keen sense of urgency. Problems are called "crises" and are said to require immediate action.

formulating a policy and sticking with it. It is not that he lacks what Mr. Bush called "the vision thing." It is that he is all vision and little implementation.

Foreign affairs, though, speed and decisiveness really matter. That is both because foreign policy crises are often the genuine article, up to and including war, and because it is as commander in chief and in the conduct of foreign policy that a president has the most authority.

When it comes to foreign policy crises, such muddling is both inexcusable and tragic. Major General UN Force in Sarajevo, can testify to how carefully both Serbs and Muslims read the American press to discern the slightest change in U.S. policy.

Mr. Clinton's performance is generally considered both inept and deplorable. In fact, it is a mirror opposite of George Bush's. The former president was rudderless on domestic policy, reacting (especially during the campaign) to the latest flurry of media criticism.

Washington Post Writers Group.

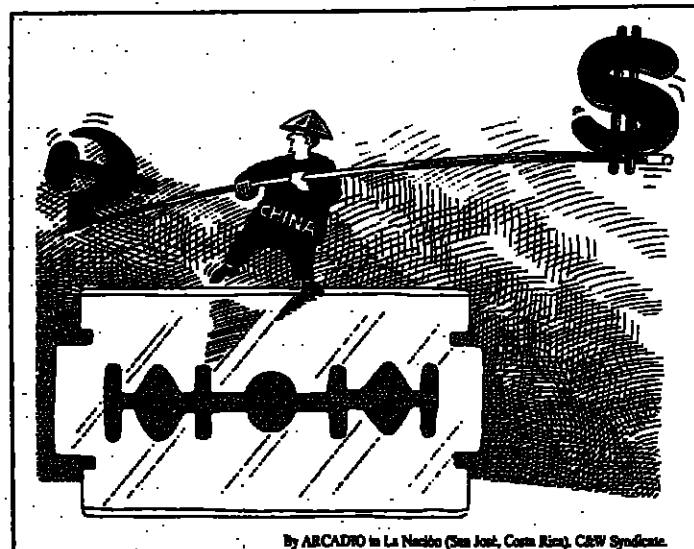
People — not officials — with whom I spoke don't care and have lost interest in politics. The concern is making money and "going to the sea," slang for taking the plunge into business.

Superpower has long been a dirty word in Beijing's lexicon, meaning the United States and the Soviet Union when they were seen as hegemonic threats. So the idea that China might have superpower dreams is firmly rejected.

Military officials claim that their new equipment purchases are minimal and that they are obliged to rely mainly on upgrading obsolete weapons. This is not the view of outsiders.

It is time to back away from the mythology and hyperbole in dealing with China. Yes, it is huge, with nearly a quarter of the world's people. Yes, it has made up its mind to participate fully in the mainstream world.

The Chinese — and not only the authorities — to whom they conduct the orchestra — contribute to the extravagance. Criticism is viewed as a sign of malicious interference when it comes from others, even though among themselves many Chinese may agree with it.



By ABCAQUO in La Naxos (San Jose, Costa Rica), CSM Syndicate.

Japan and China should not let the past hamper the future. Tokyo can help by openly closing the old chapter. It can also actively help China to modernize its economy through investments, training of skilled personnel and managers, and transfer of technology.

Washington, Tokyo and Beijing will increasingly shape developments in the Asia-Pacific region. Management of this bilateral relationship will become a major focus of international relations, just as East-West alignments were during the Cold War.

enforcement and sealing the border between Serbia and Bosnia, as well as setting up war crimes tribunals. It calls for the creation of security havens in Bosnia-Herzegovina.

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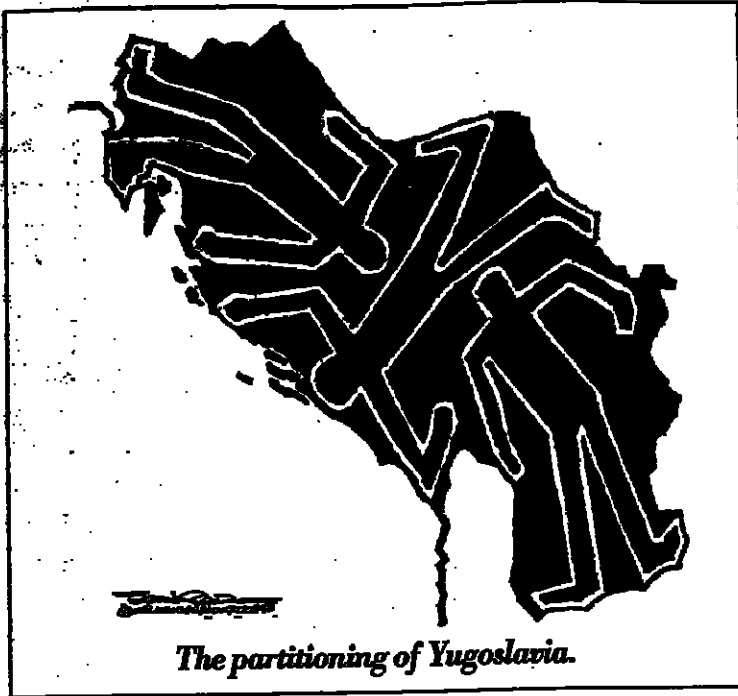
OPINION

The Bush 'Iraqgate' Bills Seem to Keep Coming In

By William Safire

WASHINGTON — If the Justice Department wins a case to be tried in Atlanta this fall, then the U.S. taxpayer may be forced to cough up over \$380 million to a corrupted Italian bank. Whose side is the Department of Justice on?

Rome's bankers innocent, when Italian and American investigators know the opposite is true. In an act of *fascia tota* (that's Italian for *chutzpah*), Lavoro sued for its U.S.-guaranteed loan money in claims court. Last week, Justice asked that a decision to pay be dismissed or deferred pending the outcome of the trial of Christopher Drogoul, Lavoro's Atlanta manager.



The partitioning of Yugoslavia.

LETTERS TO THE EDITOR

Trial for War Criminals

Regarding "For the Victims and All of Us, Prosecute for War Crimes" (Opinion, April 19) by Aryeh Neier: Mr. Neier, executive director of Human Rights Watch, wants the Serbian tyrant prosecuted by an international court, thus pinpointing the guilt case and for all. A subsequent news article, "Leaders Unlikely to Be Held in War Crimes" (April 27), quotes "specialists in international law" as saying that it is unlikely that such a court would be created by the United Nations Security Council and that without a surrender of Serbian military forces it would be impossible to bring the leaders to trial.

Real War of the Sexes

Regarding "Lots of Fuzzy Feminist Thought in Silly Books" (Meanwhile, April 28) by Katherine Knorr: Perhaps Ms. Knorr is successful and powerful enough that she doesn't have to worry about such problems as the wage discrepancies, low self-esteem, sexual violence or interrelationship inequality that she sums up as so many Marxist-tinged "banalities." As a 23-year-old survivor of armed gang rape, I certainly find the "war between the sexes" considerably less than "a lot of fun," as Ms. Knorr seems to. Part of what is happening in this new wave of feminism is that women are learning to define themselves (and men are learning to listen to them) on their own terms.

Thawing a Frostbitten Soul in L.A.

By Garrison Keillor

RIVER FALLS, Wisconsin — It was chilly last night and before going to bed I wondered if I should go out and cover up some plants and then I thought, no, it's May, time to stop thinking about frost. Winter is a great season, definitely one of the top 10, but there comes a time to doze off and let the plants live their own lives. I have just returned from California and am still feeling loose. It was a field trip, to show my daughter, a New Yorker, that Los Angeles is not a bad place.

facades of storefronts and brownstones, a rather idealized New York street, one where you could sing "God Bless America" and suddenly people of many ethnic backgrounds would converge on you, smiling, and lift you up into the air for the finale. In fact, Californians tend to view New York as a city where decent people

MEANWHILE

ple huddle in terror and despair in the face of violence and squalor. Even a great newspaper like the Los Angeles Times goes into a faint where New York City is concerned. My favorite was its story last year about the New York presidential primary, in which the writer referred to New York as The Great Weird Way and described a campaign rally on Broadway and 73rd where a rock and roll band played: "The music could be heard a few blocks away at the apartment building on Central Park West where John Lennon was killed and where, today, homeless men sleep on subway grates for warmth. In all the week of political campaigning, nobody had bothered to come and talk to them." It went on, in this high maidenly tone, and on. But it was my New York daughter's bias against Los Angeles as the mecca of Spiritual Emptiness at the End of the Road, a place run by guys in golf pants, that this trip was meant to dissipate, and observe, she now knows that such is not the case. All she had to do was go out and look around. I don't really trust people who live where there isn't snow, but Los Angeles is good for the spirit. To see people play volleyball on the beach with no net or out-of-bounds — volleyball as pure experience, exploring person-and-ball relationships. A kid in neon green shorts gliding around a parking lot with a sail fas-

tened to a skateboard, making big smooth ellipses under the palm trees. A tall woman striding down the street in black tights, a pink T-shirt, a silk jacket, shades, all motion and mystery. Sitting on the terrace of a sweet little restaurant, eating simple good things, a tomato and Maui onion and fresh basil salad, with a glass of white wine from Sonoma. An exuberant and proud salad, not like the defeated and depressed Midwestern salad of my youth, starched in French dressing. And my favorite Los Angeles experience: shopping the wonderful bookstores of Santa Monica, new and used, rare books, art books, the sun shining outside somehow making it more wonderful and luxurious to be in a long dim room smelling of old glue and dust and aging ink. I can hear my mother say, "How can you sit in here reading when it's so nice outside?" Because I'm in Los Angeles, a city of free spirits, that's how. At the end of my daughter and I agreed that a person could choose to live in such a fine place, and on that cheerful note, we flew home to New York and Wisconsin. It is good to have possibilities, including remote ones. I am anchored here by the sheer mass of stuff that I cannot imagine ever packing up and moving, but if my house burned down and the plants all froze, I could be in California on the next plane and feel grateful. The writer is host of "American Radio Company" and author of "WLT: A Radio Romance" and "Lake Wobegon Days." He contributed this comment to The New York Times. Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

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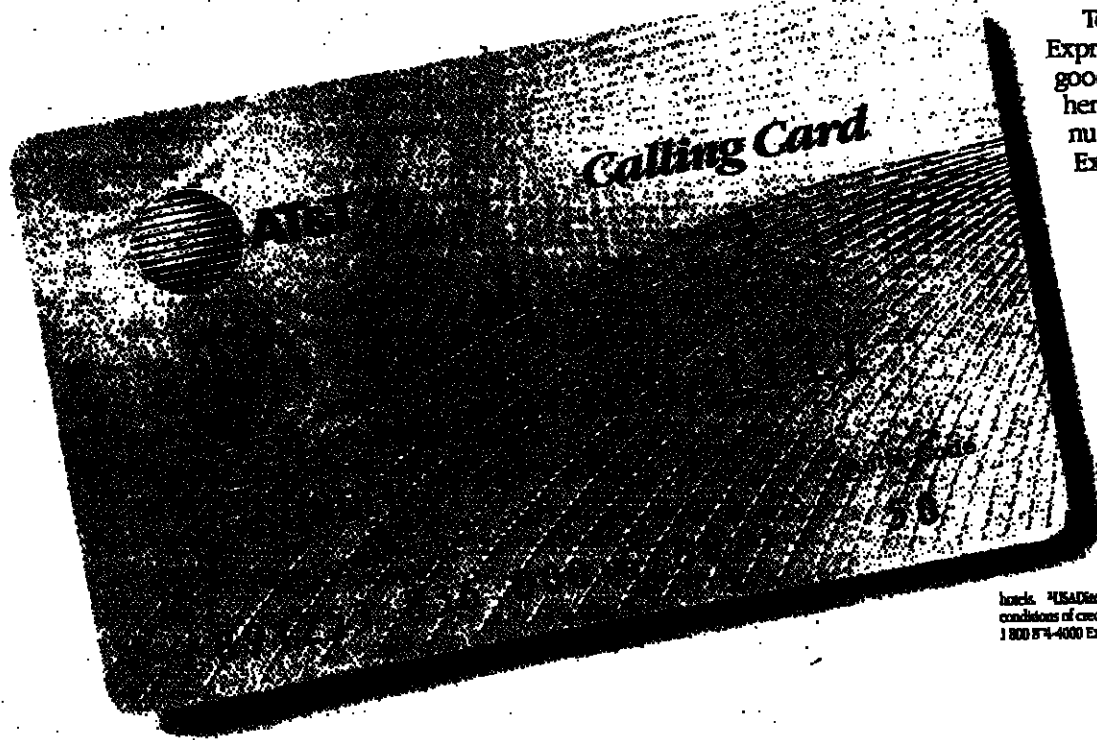


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Train as Museum: Orient Express Reaches the Orient at Last

By Andrew Ranard

SINGAPORE — Next September, the parent company of the Venice Simplon-Orient-Express in Europe, Sea Containers Ltd., launches its Southeast Asian railway line, the Eastern & Oriental Express between Singapore and Bangkok. The line is designed to have the pomp and ostentation of the Orient Express in Europe, which Sea Containers rehabilitated in 1982, and will, in a sense, fulfill the destiny resonant in a name. With its Asian arm, the old Orient Express, which never plunged any deeper east than Istanbul, will finally reach the jungles of Malaysia and Thailand. One might ask why it took the Express so long to reach its destination, or, for that matter, how the promoters conceived of such an idea. When Turkey was the Orient, no doubt the current boom in tourism and development in Asia still seemed a half dozen centuries away. Trains are a great place to ruminate on history and culture. To quote George Mosse,

a retired scholar of European cultural history at the University of Wisconsin, the historian is a professional tourist. "The speed of time," Mosse often said, "You cannot understand the cultural history of Europe in the 19th and 20th centuries without coming to terms with how the rush of time affected people's attitudes." He would refer to the English painter Joseph Turner's canvas "Rain, Steam, and Speed — The Great Western Railway," first exhibited in 1844, and how it shocked London by capturing the maniacal power of the locomotive in the Industrial Age. In this frightening painting — for the 19th century, that is — Turner foreshadowed how the rush of speed would shatter conventional perceptions, prefiguring the subtle dislocations of the French Impressionists and eventually the more abstract, and violent, Post-Impressionists. As Turner — or rather the train — the world was never the same.

The train ushered in the Age of Tourism. Londoners and Parisians could travel the breadth of the Continent in the space of a two-week holiday, taking in the sights of a half dozen cities as though promenading

through a museum. Italy! Greece! St. Petersburg! What architecture! What noble civilizations — if deteriorated! What charming manners and customs! But above all, how leveling and disordering the new technology.

TOURISM turned the middle class of rich nations into aristocrats in poorer ones, where traveling on strong currencies they could play the role of gentleman or lady. The 1920s American with his Bermuda shorts and Kodak camera (and the dollar at 360 yen to 1) had the world as his oyster. The Japanese charter tour of farmers carrying Nikons and staying in Japanese-owned hotels abroad (with the dollar at 110 yen) are more recent arrivals.

Class, however, demands distinctions. If the middle-class, with passport in hand, could pretend to be royalty, how were monarchs and the rich to travel?

The Orient Express, from London to Constantinople, where passengers could stop for a roundabout to Heinrich Schliemann's excavations of Troy, offered one solution. With a price tag that eliminated the rabble, the trip to Turkey also had the advantage of

reminding the privileged that they had read the "Iliad."

The Eastern & Oriental Express opening in Asia is of the same tradition. It takes its name, for example, from the E&O Hotel in Penang, Malaysia, a grand old repository, still standing, where turn-of-the-century British colonialists of the rubber and tin trade once rested their heads. On its inaugural run on Sept. 19, the Eastern & Oriental is inviting monarchs, magnates, and even one or two Hollywood personalities. It, too, will depart for civilizations and glories past, but on the way pass through the boom-box culture of Asia's present.

From Singapore, the E&O stops at or near the following: Malacca (the 18th century Portuguese outpost on the West Coast of Malaysia), Kuala Lumpur (the mosque-capped Muslim Malaysia), Butterworth (jump-off spot for Penang island, with its preserved colonial ambience, also the "Silk-cotton Valley" of Southeast Asia), Surat Thani (departure point for Ko Samui and islands), and Bangkok (mad, bustling out in luxury hotels, and smug beyond comprehension). From Bangkok, the E&O will offer a separate excursion to Sukhothai, the site of the

13th century ruins of the Kingdom of Siam.

SHERLEY Sherwood, the British, Oxford-educated wife of James Sherwood, the American president of Sea Containers, based in London, is the passion behind this act. A shrewd interpolator, she remarks of Asia: "People seem to come only to the big cities. We would like to give them the chance to see the countryside, the life that seems to happen along the track — the villages, rice paddies; the water buffalo, that element which people may find attractive. I think one thing that will be sensational is our observation car. The back is open to air. It will be like another bar. The rest of the train is air-conditioned, of course, but in the observation car, we want to get them involved in the countryside, the sense of smelling it, and the damp, warm air." She felt it worth mentioning, also, that the length of the 1,943-kilometer (1,207-mile) trip from Singapore to Bangkok is 41 hours. Mims a four-hour rest stop in the middle of the night to allow passengers to sleep in peace, that's an average speed of about 52 kilometers per hour. The E&O does not race headlong, like a bullet train, toward Armageddon.

The enterprise is costing Sea Containers roughly \$25 million. It has hired James Park Associates as interior architects and Gerard Gallet Decorators to design the marquetry, etched glass, wood-carved panels, and furnishings for the 22-coach train. At present, some three dozen Asian joiners are at work installing the fittings in the heat and construction rubble of an old backyard of the Singapore Railway Station.

The metamorphosis of the first coaches is scheduled for completion in June for pre-view runs.

Joseph Turner would be surprised. His iron monster is being transformed into a traveling museum, which will chug through the jingly miasmas of Asia. In yet another twist on genres of communication, the medium is the message. The journey is sentimental, backward through time, tame. The tourist will also be safe, the rush and terror of speed are immaterial. The apotheosis is turned on its head.

Andrew Ranard writes about Japan in Southeast Asia.

Shopping in Beijing's Silk Alley

By Suzy Menkes
International Herald Tribune

BEIJING — It looks like the ultimate shopping opportunity: a pair of pure silk pajamas in an elegant paisley print by Liz Claiborne selling at 180 yuan — around \$30. And that's if you don't bother to bargain with the smiling vendor who has just accepted 150 yuan for a washed silk Pierre Cardin blouse. The designer labels are fake but the thick, soft silk is real in Beijing's Silk Alley, a narrow lane selling the fabric so dear to China that the last empress used to feed a symbiotic mulberry leaf to the first silkworms of the season. Although prints and patterns are disappointing, the plain silks (look for dark colors) make good buys — especially for men. Genuine bargains are men's silk jackets in indigo or dark green at 350 yuan, beige or khaki pants at 180 yuan. All the Beijing markets sell silk T-shirts and tank tops from as little as 30 yuan — but who will hand wash and iron this paper-thin cloth when you get back home? Some blouses are fancied up with embroidery,

which makes them cheap at the price.

If you have dressmaking skills — or are staying in China long enough to get a shirt or dress run up — silk fabrics, especially the thick seersucker and washed silk, can be found for 50 yuan a meter in reasonable colors in local department stores where the Chinese shop. They are also a hunting ground for decorative hair ornaments — an unbroken Chinese tradition — and for fancy embroidered sweaters. Cashmere sweaters, although not

thick and generous and only in small sizes, are a steal in Silk Alley at 350 yuan. You might be wiser to pay more for cabled cashmere sweaters, at 500 yuan, from the Friendship Stores. Among the inevitable tourist trash and kitsch, there are jade bangles (pretty in a quantity of different shades worn up one arm) and strings of glass beads in enamel blue. If you opt instead for pretty freshwater pearls, from 100 to 160 yuan a strand, you have to know who will make them into something.


Things for the home: embroidered tablecloths (but will they go through the washing machine?) and machine-made but attractive patchwork quilts are priced at 150 yuan. All sorts of decorative packaging of the simplest things from face powder to tea make charming gifts. Although tourists always believe that the markets are cheapest, in fact the same prices apply in local department stores on Wangfujing, Beijing's main shopping street.

For the Chinese, newly converted to consumerism, the shopping malls in the big hotels, such as the China World Trade tower, the Lufthansa Center and the Palace, are the ultimate shopping experience. A much more picturesque view of old China is offered by the antique markets. At Linlichang, a decorative facade announces the specialty of the area: books, there are calligraphy brushes in decorative sets, seals (your name is carved on the "chop" of stone, wood or jade while you wait) with ink pots and books of traditional drawings or loose prints to be framed. Since only antiques of the last 100 years are allowed for public sale and should have a seal from the Cultural Relics Bureau, you are unlikely to stumble over a Ming vase that everyone else has overlooked. But there are plenty of ceramic objects and curiosities like shadow puppets of Beijing Opera characters, cut out of leather and selling for a song.

You may need a sharp eye to see through the dross, but you won't feel harassed and pestered in Chinese street markets. The pleasure taken by the Chinese in purchasing or just in looking at may even restore faded internationalism, mellowing the feeling that she or he who is tired of shopping, is tired of life.

HEAR THIS

The movie business is big business and time is money. These people aren't fooling around, right? Well, sure, but bad karma is bad karma, or whatever, and so a major film crew setting up lights and cameras in Alaska got a medicine man from the Tlingit tribe to bless the set. Cy Beck Jr. obliged. The Associated Press tells us, even though this was a big-time action product. He himself prefers Sherlock Holmes movies. Old-fashioned kind of a guy no doubt.




IN THE CLUBS

Paris: Upstairs, Downstairs at Casbah

By Mike Zwerin
International Herald Tribune

PARIS — The "SoHo of Paris" in the 11th arrondissement has spread from the Bastille Opera down the Faubourg Saint-Antoine to the Rue de la Forge-Royale, a 10-minute walk from the Bastille and about as narrow as a street can be. Here we find La Casbah, which can be called the successor to Les Bains Douches and the Palace as Paris's club for the "plugged-in."

"We are a club, not a nightclub," says manager Thierry Bonfont, who in times past also managed the previously mentioned. "This is a place where nice people can come and talk over a drink, and a girl can come in alone and not be bothered."

The door is manned by three discreet bouncers, two of them rather bulky, who decide who gets in on educated instinct. Suits and ties not necessary, jeans acceptable, tuxedos if you prefer. Just try not to look too provincial and be... well, plugged in. Tourist buses not welcome.

Deconstructionist Moroccan African decor, incense in the air, low lights, elegantly focused spots, stone walls, soft recorded swing in the street-level bar and lounge. A low hum of conversation by attractive people of all ages and many cultures drinking quietly. A disturbing touch of haute couture around the edges. Your "looky" in other words, gets graded. (George Michael and Catherine Deneuve have been here.)

Consume a Bloody Mary (70 francs, or about \$15) and stay a few hours, or guzzle champagne and dance.

Downstairs, the discotheque. Smoke machines working hard (smokers heaven). There are from time to time varying themes — Louis XVI, Venice, the Sixties, Jazz Night. The decor changes accordingly. Dancing to soul, funk, rock and acid jazz is more between the tables than on the small floor. Nooks and crannies on different levels, don't trip on the dim steps.

On Friday and Saturday nights, which are extremely crowded, you pay for the first drink at the door — reservations recommended. The discotheque is closed Sunday and Monday. Prices from 60 francs for fruit juice, to 1,200 francs for a bottle of Cristal Roederer Champagne.

La Casbah, 18/20 Rue de la Forge-Royale, Paris 11ème, tel. 43.71.71.89.

A TIGER, A PYTHON, A WILD PIG, & MOST RECENTLY, A LION. In days of yore, Raffles had its fair share of strange and interesting characters. The tiger came from a circus, the snake from the surrounding jungle and the hog from an abattoir nearby. On 23 January 1993, two men in a lion costume danced to the beat of Chinese drums at the entrance of the hotel to help usher in the Lunar New Year. It's a tradition that's been maintained for as long as anyone can remember at Raffles Hotel.

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THE MOVIE GUIDE

Dalbonyon
Directed by Juzo Itami, Japan.
The actor-director Juzo Itami ("Tanpopo") was last year slashed by thugs for making an anti-yakuza film and spent time in a hospital. One of the results is that he is again well and active. Another is this picture about life in the hospital. A famous actor-director (the "Big Patient" of the title, Rentaro Mikuni) has cancer but keeps on going. His days are, however, numbered — in fact, the numbers that remain are periodically flashed on the screen. Unlike, however, the hero of Kurosawa's "Ikiru," another notable victim of stomach cancer, Itami's sufferer is allowed little dignity. This is because he doesn't want it. Drinking, smoking, womanizing, he is just a regular guy who wants a little more time. But he is to be told or not? Eventually he is and goes out smiling. In the meantime we are entertained with horrid hospital scenes (miles, lots of blood), an out-of-body experience (lots of special effects) and the assumption that this stinky mummy film is a comedy. At the end death has the last laugh and our hero expires with a degree of sentimentality new to the films of Itami. He (a composer as well) gets to

conduct his great Buddhist symphony, collapses on the podium, his wife comes to understand his various infidelities, and the doctor, tears in his eyes, is happy to have learned something from his patient. Itami ends up dead serious. (Donald Richie, IHT)

Rosa Rosae
Directed by Fernando Colomo, Spain.
There is a good scene about halfway through the film in which the character Rosae (María Barranco), working as a mail carrier, refuses to deliver letters if they have bad karma. That moment may be the crowning point in a film billed as a comedy but that otherwise suffers from a Clintonesque lack of direction. It is a movie simply trying to do too much all at once and it is plagued by weak-script karma. Rosa (Ana Belén) has written a best-selling novel based on the diary of her childhood friend, the effervescent and creative Rosa. But Rosa is fresh out of ideas for the follow-up novel until she chances upon Rosae in Madrid after years of separation. Barranco plays the mystical, rambling Rosae with verve, essentially re-creating a role she has already mastered with the director Pedro Almodóvar. But the expected bonding of the two

BRIDGE

By Alan Truscott

ASK an average player, or even an expert, to define a non-trivial squeeze and you'll probably collect a blank stare. One of these supernatural birds occurred in New York a few weeks ago. It was played in the Imp Pairs Game, at the Town Club in Manhattan, which has one of the United States' busiest rubber bridge programs. The South player eventually chose to play six no-trump rather than six spades. He would have had an easy time after a routine hand lead, but West was inspired to lead a club. Notice that against six spades East would have had to be even more inspired and lead the club eight.

South captured East's club kind with the ace and ran six rounds of spades to reach this ending:

NORTH
♠ 7
♥ K
♦ 10
♣ J7

WEST
♠ 107
♥ 882
♦ Q
♣

EAST
♠ A
♥ A J 8 5 4
♦ 8 7 6 4
♣ K

SOUTH
♠ Q 8
♥ A K J 3
♦ A K J 3
♣ A 10 9

Neither side was vulnerable. The bidding:
North: 1♣, Pass, 2♠, Pass
East: 1♥, Pass, 4NT, Pass
South: 5♠, Pass, 6NT, Pass
West: Pass, Pass

Want just the club four.

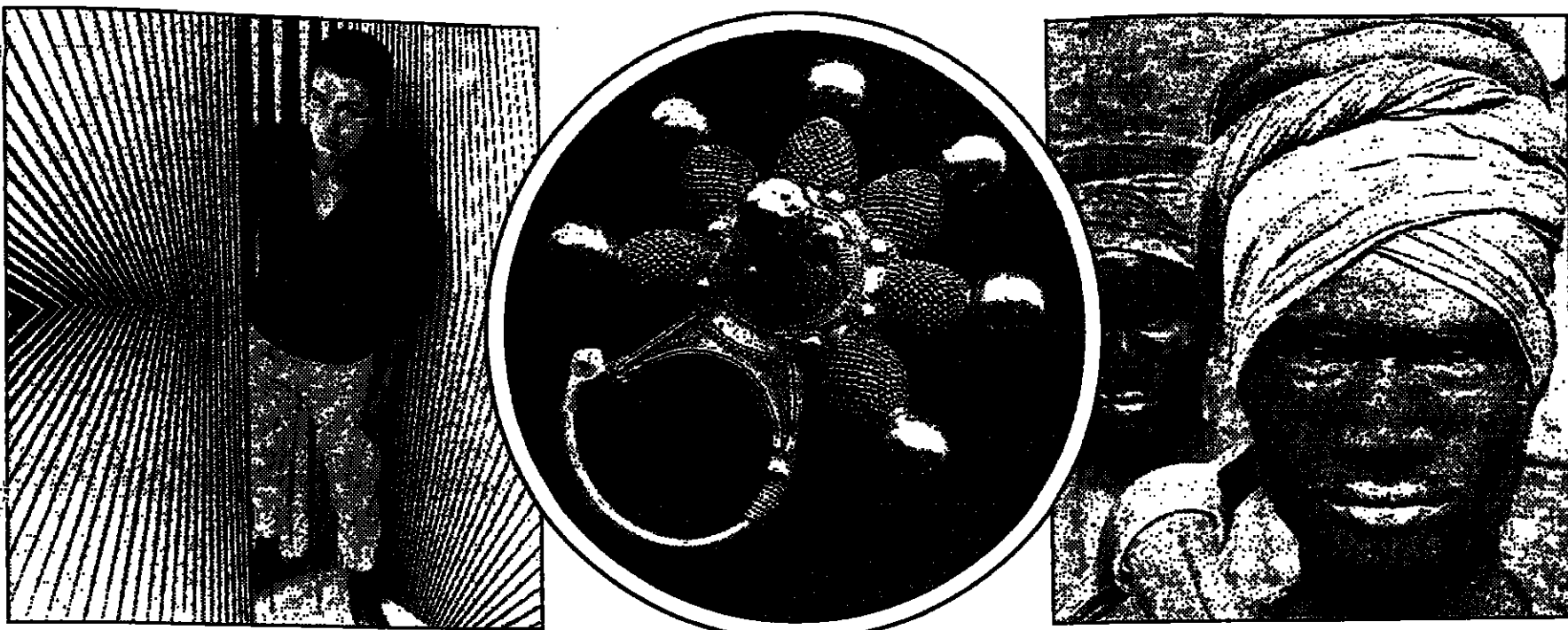
Mario Van Peebles in his new film, "Posse."

leading women here is never quite achieved. A slick television moderator (Junjo Payson) adds spice to the action but the film becomes bogged down in a pseudo-New Age motif in which a charismatic guru attempts well-known routines to enlighten his flock. The result is kind of a sleepy karma. (Al Goodman, IHT)

Posse
Directed by Mario Van Peebles, U.S.
If Mario Van Peebles had simply followed through on his impulse to do a spoofy, rapper variation on the spaghetti Western, "Posse" might have been both funny and exciting — a mindless, great time. In other words, "Posse" is a great idea for a movie, but rarely has such a solid idea been exploited with greater indifference or lack of imagination. From the looks of it, Van Peebles — who is both star and director — was eager to tackle something weightier than a mere spoof. In "Posse," he wanted to deal with the role of blacks — particularly black cowboys — in settling the West. Unfortunately, Van Peebles has tried to make both movies at the same time, and the mix is atrociously off-key. In tone, the movie wobbles between parody and seriousness. It sends up that genre's proto-mythological pretensions to existential depth by turning the terse, macho posturing into a joke. The film's underlying spirit is far too heavy for its broadly comic lighter side, yet too glib for the moments when the picture wants to take itself seriously. Perhaps the promise Van Peebles showed in "New Jack City" was a fluke. There, at least, it looked as if he could direct. But this movie is so sloppy and slapped together that most of the action is inconceivable, so poorly cut that the continuity is shattered and glib, and so noisy on its soundtrack that Michel Colombier's already forgettable score can barely be heard over the pawing and snorting of the horses. (Hal Hinson, WP)

Janico 1300

U E I S U R E



Left to right: Bridget Riley by Tom Picton at the Barbican in London, a Russian pendant and a Sebastião Salgado photo, both in Paris.

BELGIUM

Antwerp
Plantin-Moretus Museum (tel: 232.24.55). To June 13: "Antwerp 1650: Botany in the Southern Netherlands." A historical survey of botany from 1500 to 1650 is presented through representative prints, illustrations, drawings, copper plates and botanical preparations.

CANADA

Ottawa
National Gallery of Canada (tel: 960.19.85). To May 23: "The Crisis of Abstraction in Canada: The 1950s." Abstract art by such groups as the Automatists, Painters Eleven and First Placicians, among others.

ENGLAND

Durham
Durham Cathedral Celebrates 900 Years (tel: 845.90.00). To Nov. 3: More than 900 exhibitions, concerts, conferences and special events mark the 900th anniversary of Durham Cathedral in Northeast England.

London
Barbican Art Gallery (tel: 638.71.71). To June 13: "The Sixties: Art Scene in London." Features more than 200 paintings, sculptures, photographs, designs and installations by Caro, Denny, Hockney and Hodgkin.

British Museum (tel: 323.85.25). To May 31: "Silk Road Coins: The Hirsyama Collection." An in-depth survey of coins originating from the ancient trade routes, reveals insight into the many peoples who competed to control the silk road from the third century B.C. to the sixth century A.D.

Design Museum (tel: 403.69.33). To May 31: "In Focus: Cinquiescento." In commemoration of the success of Fiat's design and manufacturing industry, this display will include life-size models of all three generations of the Fiat 500, the Topolino and the Nuova 500.

The National Gallery (tel: 839.33.21). To July 11: "Tradition and Revolution in French Art: 1700-1880." Key works in French art survey the diversity of movements of the period. Includes works by Chardin, Greuze, David, Gerico, Delacroix and Courbet.

The National Maritime Museum (tel: 858.44.22). To Sept. 5: "Pirates: Facts and Fiction." A survey of pirate myths, lives and adventures both real and fantasy, including photographs, drawings, paintings, costumes and weapons.

Oxford
The Ashmolean Museum (tel: 27.60.09). To July 17: "Rembrandt: Etchings and Drypoints." More than 80 works by the Dutch painter, draughtsman and etcher, including biblical and genre studies, portraits and landscapes.

FRANCE

Paris
Bagatelle in the Bois de Boulogne (tel: 42.76.41.35). To July 30: "Audioparc." More than 100 created 19th-century antique automata.

Institut du Monde Arabe (tel: 40.51.38.38). To June 20: "Petra: Le Dieu des Pierres." Black-and-white photographs of the ancient Jordanian city of Petra.

Musée du Louvre (tel: 40.20.51.51). To July 26: "Copier/Creator: 1793-1993." Some 250 works of well-known artists who found their inspiration in copying masterworks of the Louvre museum. Includes drawings by Cézanne, Delacroix, Ingres and Giacometti, and paintings by Fautin-Latour, Manet or Chagall after the Venetian painter.

Musée d'Orsay (tel: 42.84.18.34). To June 13: "Jean-Camille Formige: 1845-1925." Architectural drawings by the French designer who spent most of his career working for the city of Paris designing parks, squares and fountains.

Palais de Tokyo (tel: 47.23.36.53). June 28: "La Main de l'Homme." Photographs by Sebastião Salgado resulting from a six-year study of people at work around the world. The settings range from sugar-cane fields in Brazil and Cuba, to shipyards in Poland.

GERMANY

Cologne
Schwetszingen Castle Theater (tel: 221.82.09). Opening May 13: "L'Incoronazione di Poppea." Claudio Monteverdi's opera "The Coronation of Poppea" will be performed, in conjunction with Monteverdi Year 1993 and the Schwetzingen Festival. Director, Michael Hempel; conductor, René Jacobs.

Dresden
Dance Podium (tel: 31.69.78). May 20-June 6: A dance festival featuring performances by companies from around the world, including Neidhardt Dance Theater 3, the choreographer Andrea Gebhardt and the Lar Lubovitch Dance Company.

ITALY

Florence
Istituto Olandese di Storia dell'Arte (tel: 22.38.75). To May 23: "Fra Bartolomeo disegnatore." Exhibit of early 16th-century drawings by this master of Florentine painting.

Palazzo Strozzi (tel: 239.85.63). To July 11: "Vassili Kandinsky." A selection of paintings by this 20th-century artist.

JAPAN

Himeji
Himeji City Museum of Art (tel: 92.22.22.88). To June 6: "Scenes From Modern Life." A review of modern nihon-ga painting with artists such as Ikeda Yoson and Ito Shinsu.

Kyoto
Museum of Kyoto (tel: 222.08.68). To May 30: "Moya: Crossroads of History and Races." More than 250 relics excavated in and around the ruins of Kamijiyu in Guatemala.

Amsterdam
Van Gogh Museum (tel: 570.52.00). To Oct. 31: "Courtesans in Japanese Prints." Courtesans, a polite world for ladies with easy virtue, served as a central theme in 18th- and 19th-century prints. This show focuses attention on Van Gogh's fascination with this classic tradition through 70 original examples.

NETHERLANDS

Amsterdam
Van Gogh Museum (tel: 570.52.00). To Oct. 31: "Courtesans in Japanese Prints." Courtesans, a polite world for ladies with easy virtue, served as a central theme in 18th- and 19th-century prints. This show focuses attention on Van Gogh's fascination with this classic tradition through 70 original examples.

SWITZERLAND

Lugano
Dicastero Musei e Cultura (tel: 20.72.09). To May 30: "Francis Bacon: 1909-1992." A retrospective of works produced between 1940 and 1991 by the English figurative artist.

UNITED STATES

Atlanta
High Museum of Art (tel: 577.69.40). To July 3: "African Religions: Art from Northeastern Zaire." Art and artifacts from the Mangbetu, Azande and Barambo people of the watershed basin of the Nile and Congo rivers in Zaire, the region formerly called the Congo. Including sculpture, musical instruments, pottery, tools, weapons and jewelry as well as photos documenting life in the region.

Houston
Museum of Fine Arts (tel: 526.13.61). To Aug. 8: "The Lure of Italy: American Artists and the Italian Experience, 1870-1914." More than 150 paintings, sculptures and works on paper examining the role Italy has played on the development of American art and culture.

French Regional Chefs Invest in Their Roots

By Patricia Wells
International Herald Tribune

SAINT-BONNET-LE-FROID, France — "Worth a detour" means many things to many people. But the way I see it, any restaurant that so excites the palate that three days later you're still in a state of rapture is worth a wrong turn or two.

Here in this gray mountain village of the Haute-Loire, a 45-minute drive south of Saint-Etienne, chef Régis Marcon is helping prove that France and its young regional chefs have not lost their luster. In a day when many rising stars of French cuisine allow themselves to be detoured by investments in extravagance, the modest, earnest Marcon is investing in his people, his taste buds, his village.

While recent French culinary history has witnessed flourishes of nouvelle cuisine, cuisine minceur, and cuisine moderne, chefs such as Marcon are taking it all one giant step further, creating a contemporary local cuisine devoted to nature, the region, the soil. Here — at the crossroads of the Auvergne, the Velay and the Vivarais — wild herbs, an abundance of wild mushrooms, local fish, poultry, meat and game take a place of honor, while more traditional butter, cream, and pastry are used with utmost discretion.

Many French chefs excel in superior technical skills, but they often lack uniqueness. Marcon's cuisine not only displays a truly individual sense, but his food has a spirit, a vision, a sense of discovery and excitement that is infectious.

He sautées a mix of the freshest of tiny *mousseron* mushrooms, surrounds them with an intense parsley sauce, and tops it all with a giant crispy "châli" prepared with rice flour, water, and a garlic purée. Flavors are pure and explosive, textures range from soft to pleasingly crunchy. The region's tender baby lamb is cooked in a locally traditional crust of fresh hay, and served with an amazing gratin of potatoes and *cépe* mushrooms from nearby woods.

Inspired by lost or abandoned regional recipes, all sorts of "forgotten" ingredients find their way into his cuisine, as we rediscover the elegance of pearl barley in a delicate bouillon; or take a bite of pimpernelle, the seldom-seen herb with its pleasant cucumber-like aftertaste. Traditional ingredients that became banalized in classic French cuisine — namely frog's legs and snails — seem almost new, as Marcon serves them in tiny quantities, ever so fresh, married to uncommon ingredients and flavors. Rabbits, figs, and chestnuts share company in a meaty *ballotine*, while a terrine of smoked eel and baby vege-

tables is accented with a touch of saffron and an inventive *pain au poisson*, sourdough bread prepared with fish stock instead of water. I've been following the cuisine of Marcon for several years, and count him as one of the country's more creative, sincere, and innovative chefs. He has transformed his mother's village bistro in a modern-rustic hotel and restaurant that, due to rugged winters, is open only from Easter to mid-November. Off-season, he offers cooking classes, allowing home cooks to profit from the gastronomic wealth of the area.

A bit to the south, in the heart of the Ardèche, one finds another burst of creative culinary energy on the table of Christiane Giuliani-Brioude, a fifth-generation woman chef who tends the stoves at the Hôtel du Vivarais in the spa village of Vals-les-Bains. Baby goat and tender goat cheese, chestnuts and wild oysters, sage and wild *cèpes* are all honored by her full-flavored, beautifully seasoned cuisine. She grows potatoes and a medley of herbs in a little garden bordering her Art Deco hotel-restaurant, and treks out to nearby woods to gather wild thyme, sorrel, and mushrooms. The local white wine, from the vignier grape, finds its way into her sauces, and fresh figs are macerated in homemade vinegar for a rich and fruity flavoring to drizzle, along with olive oil, over spring asparagus.

MADAME Giuliani-Brioude's menus — from a 620-calorie menu priced at 130 francs, to a 450-franc tasting menu — offer something for just about everyone, ranging from simple platters of raw vegetables to her rustic *blanquette de chevreau*, or goat. Diners with a sweet tooth will certainly opt for her finale made up of five different chestnut desserts, including chestnut ice cream, chestnut jam and cake, as well as the famed *chaignes glacées*, or candied chestnuts. (True aficionados will also appreciate the delicate chestnut rolls served with meals, and a superb chestnut soup.)

Working with a largely-female staff, and assisted by her 73-year-old father, Madame Giuliani-Brioude's cuisine has a traditional base, but like that of Marcon, appears brand new and up to date, thanks to a good palate and a sense of culinary adventure.

Auberge des Cimes, 43290 Saint-Bonnet-le-Froid, (13 kilometers southeast of Montfaucon-en-Velay via D105.) Tel: 71.39.93.72. Closed Sunday evening, Wednesday, and from November 15 to Easter. Credit cards: Diners, Visa. Menus from 130 to 450 francs. Hôtel du Vivarais, 07600 Vals-les-Bains. Tel: 75.94.65.85. Closed Sunday dinner, Monday lunch, and February to mid-March. Credit cards: American Express, Diners, Visa. Menus from 130 to 200 francs.

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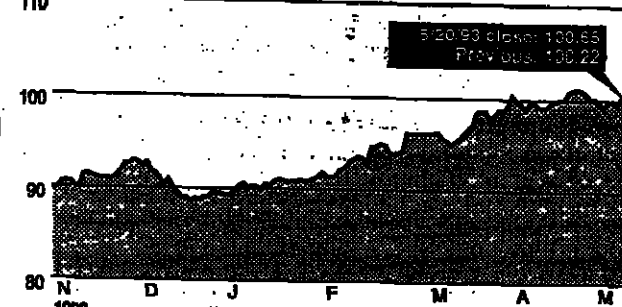
BUSINESS

International Herald Tribune, Friday, May 21, 1993

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THE TRIB INDEX 100.65

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Asia/Pacific	Europe	N. America
Approx. weighting: 25%	Approx. weighting: 40%	Approx. weighting: 35%
Index: 109.87 Prev.: 109.85	Index: 97.50 Prev.: 97.07	Index: 98.18 Prev.: 95.55

Energy	Chemicals	Capital Goods
101.73 101.12 +0.60	99.39 99.32 +0.07	101.57 100.91 +0.75
Utilities	Raw Materials	Consumer Goods
101.89 101.25 +0.63	89.64 89.59 +0.02	112.11 111.79 +0.29
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A Good Year for U.S. Wine?

Mondavi Hopes Wall Street Has a Taste for Its Shares

By Frank J. Prial
New York Times Service

NEW YORK—When the time comes to write the history of the American wine business in the 1990s, the turning point may well prove to be the Robert Mondavi Winery's first public offering of shares of stock. If the sale goes well, as wine-industry analysts are predicting, it will be a sign of market confidence in an industry that has had little to get excited about for close to a decade.

Proceeds from the sale of 3.7 million shares will be used to repay bank debt and clear the way for a new line of credit. The offering is scheduled for early June. The Napa Valley winery, eighth largest in production in the United States, has said it expects to spend \$70 million in the next four years, \$20 million of it to replant vineyards destroyed by phylloxera.

Mondavi, which according to an advance copy of its prospectus expects an opening price of \$14.50 a share on the Nasdaq, is only the third commercial winery in the United States to go public. It follows Chateau Wine Group of San Francisco and Canandaigua Wine Co., based in New York.

For a variety of reasons, banks have been reluctant to lend money to wineries in recent years. So if Mondavi's offering is successful, other large wineries are expected to follow suit. One trade publication mentioned Sutter Home and Glen Eddy Winery as possible candidates.

Jon Fredrikson, an industry analyst in San Francisco, said Mondavi's timing was excellent. "When CDs were paying 10 percent," he said, "the wine industry, which averages about 5 percent on assets, wasn't such a good deal. With CDs paying 3 and 4 percent, it's a different picture."

"Also, the stock market is booming and Mondavi's numbers are impressive," he said. "Their sales are up 50 percent over the last two calendar years, and for two years in a row they had the best performance of any premium winery."

From the mid-1980s until very recently, news about the American wine industry has been mired in gloom. To a degree it was a reaction to the euphoria of the 1970s and early 1980s, when double-digit expansion was the norm; when it seemed as if the country was on its way to becoming one of the important wine-consuming nations in the world.

Then, gradually but inexorably, the increase in consumption slowed, leveled off and began to decline. Concern about health, vigorous campaigns against drunken driving, and a heightened awareness of the social implications of drinking all took a toll. Moreover, the industry be-

gan to realize the United States would never be like Italy, where wine is part of the culture.

At the same time, it seemed that nature and the economy had begun to turn against the wine industry.

First, beginning in 1986, came a six-year drought that affected most of Napa and much of Sonoma and Mendocino counties, the heart of California's premium wine region. Then, phylloxera, the parasite that destroyed much of the world's vineyards in the 19th century, returned. It was first detected in 1983, but by 1990 it was clear that the bug would eventually destroy thousands of acres of prime West Coast vineyards. Uprooting and vine replacement will cost millions of dollars. One analyst calls phylloxera "the billion dollar bug."

Then, mostly because of bad real estate deals, banks no longer took wine makers' calls. Panic set in. Some wineries went bankrupt; others were sold to stronger neighbors.

All during this time, however, there was a strong countercurrent. Overall, wine sales were off drastically, but sales of premium wine — good table wines — never stopped growing. Then came news reports of the "French paradox," including the assertion on the CBS News program "60 Minutes" late in 1991 that moderate amounts of wine could, in some circumstances, contribute to good health.

Sales of premium wine, especially red wine, soared in 1992; it was the industry's best year in a decade. Table-wine shipments in 1992 were worth \$3.2 billion, or 10 percent over the previous year, the largest increase in a decade.

Shipments of premium wines, those costing about \$4 or more a bottle, were up 16 percent for the year, to \$1.6 billion. For the year ended June 30, 1992, revenue was \$154 million, up 23 percent from \$125 million the year before.

Mondavi's high-profile image in the wine industry is enhanced by Robert Mondavi himself. Mr. Mondavi, 80, is unquestionably the best-known figure in the American wine industry, a master salesman not only for his own wines but for American premium wines in general. (Upon the consummation of the offering, members of the Mondavi family will retain a majority of the outstanding shares.)

The Mondavi company is more than just the mission-style winery founded in the Napa Valley in 1966. That winery produces 700,000 cases of wine a year. Robert Mondavi Woodridge, the company's winery in the Central Valley, founded in 1979, produces 3 million cases a year. The

Merced and Rubart labels.

Half the affected workers will be at least 56 years old, hence nearing retirement. The rest will be offered retraining.

Group Moët & Chandon belongs to the LVMH luxury-goods conglomerate and produces champagne under the Moët & Chandon, Merced and Rubart labels.

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Europe's Car Ills Force Ford to Slash Forecast

LONDON — Ford Motor Co.'s European unit said Thursday it had reduced its forecast for total 1993 car sales to be down by more than 20 percent and was cutting production in line with that.

A spokesman for Germany's Volkswagen AG in Britain said the company was expecting total 1993 car sales to be down by more than 20 percent and was cutting production in line with that.

"We are very aware that the artificial situation in the German car market last year, because of unification, will not occur," said the Volkswagen spokesman, Paul Buckett.

Rover Group, the British Aerospace PLC unit, said it would not publish a forecast but noted that its own sales were rising.

Western European car sales have been slipping from a record of 13.51 million in 1990 after uninterrupted and spectacular growth from 10.5 million units in 1985.

The deterioration of the market, plus the start-up costs associated with the launch of Ford's new family car, the Mondeo, in Europe forced the parent company in Detroit to say earlier this week that it was "increasingly unlikely" that it would make a profit in Europe this year.

In 1992, Ford reported a record loss in Europe of \$1.3 billion, \$400 million of which was attributed to losses at the British-based Jaguar luxury-car unit. Ford has already said it plans to shed 10,000 jobs in Europe this year.

Mr. Barber expects a 10 percent fall this year. "On my forecast, the industry as a whole is loss-making in 1993. On Ford's forecast, those losses will be huge," he said.

Mr. Barber, an analyst of the European car industry at the brokerage firm of James Capel, said the new Ford forecast was "extremely pessimistic" and noted it was based on the decline in the first four months being extended for the 12-month period.

"It is not impossible, but it seems very unlikely," he said, adding the industry had only once seen a yearly decline of 14 percent in 1973.

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Thinking Ahead

The Danes Got It Right Twice

By Rosalind Dwyer
Middle East Correspondent

W ASKING the Danes to give up their national characteristics and to conform to the rest of Europe is like asking them to give up their national identity. The Danes have never committed themselves to the rest of Europe.

First, the Danes rejected the Maastricht treaty, the final fling of the style of European unification that began with the Community's founding treaties in the 1950s. Now, they have accepted a watered-down version of the treaty that formalizes the possibility of a two-speed Community—a concept that has always been anathema to EC purists.

But just as the Reformation finally did away with the Middle Ages, the collapse of communism is rendering the old orthodoxies as outmoded as Byzantine theology. One of the root causes of today's crisis in the Community is that no modern Martin Luther has yet nailed a list of new guiding principles to the EC Commission's front door.

But with their two heretical acts, the Danes have begun to show the way. They were right to say "no" last year, and they were right to say "yes" this year.

What's important now is that the rest of Europe learn the Danish lesson.

In first saying "no" to Maastricht, the Danes fired a necessary shot across the bow of a European political establishment (spurred on by the personal ambitions of François Mitterrand, Helmut Kohl and Jacques Delors) that had sailed far ahead of public opinion for the first time in the Community's history.

The Danish "no" served warning that a European union without a foundation of popular support would in the long run prove dangerously unstable. Those in favor of European unity should have heeded the Danish "no" voters on the back. If their victory meant that Europe would be built more slowly, it also improved the chances that it would be built more surely.

The Danes' fears—fear of Germany, fear of the Brussels bureaucrats and fear of losing national identity—were mostly wrong-headed. German power is better contained in a strong Community

in a weak one; member governments, not the EC Commission, are mainly to blame for intrusive EC regulations, and it is absurd to suppose that the French, British or Danish people are suddenly going to lose national characteristics that have been in the making for hundreds if not thousands of years because of officious new regulations on the color of sausages.

The important thing was that many Danes needed a reassurance that their views were being heard. Once they had it, and once they had had time to think the whole thing through, they rightly rejected their verdict in exemplary democratic fashion. And it shouldn't matter a fig that they were at least partly persuaded to do so by being told they could opt out of a number of important treaty provisions including a common defense policy and a single currency.

The basis of a two-speed Community was laid long before the Danish opt-outs were agreed upon at the end of last year. The EC monetary system is now clearly divided into "core" and fringe currencies, and even Maastricht itself provides for a group of members to move more quickly than the rest toward economic and monetary union.

But a two-speed Europe really started with the birth of the Community in the 1950s, when only six states took the plunge and the others, led by Britain, held back. The lesson from the past is that as long as there are enough countries ready and able to press ahead, they must lead, and others — including Britain again, if necessary — will eventually follow.

Provided the leaders keep up the momentum, it's quite right to develop heretical new forms of cooperation to accommodate the laggards, whether in Western or, soon, in Eastern Europe. Without the need for Cold War alliances, it will be even more difficult to force European countries into inflexible molds against their will.

The lesson from Denmark is that the leaders must make sure their people both know and approve of where they are going. The best aim for a modern Martin Luther would be a breakthrough in making the Community's outdated institutions more directly accountable to its inhabitants. Perhaps he — or she — might be Danish.

Optima's Humbling Lesson

By Saul Hansell
New York Times Service

NEW YORK — With a bine credit card casually covering his plaid shirt, Frank L. Skilleen looks a little out of place sitting at the dark wooden table in a sober private dining room high atop the American Express tower.

"Fridays are dress-down days," he said apologetically, explaining that the policy had been instituted by Harvey Gohb, who was named chief executive of American Express in February.

Dressing down seems a fitting symbol of contrition for this once-cocky company, which grew mighty in the 1980s, combining prestige and pizzazz, then stumbled as the United States headed into recession.

In no area was the company more humbled than with its Optima card, an attempt to compete with bank MasterCards and Vissas. Since 1990, Optima has lost nearly \$2 billion from bad loans.

"If it was a stand-alone company, it would have gone bankrupt," said Mr. Skilleen, who a year and a half ago was assigned to rescue the Optima card and some related American Express products.

A blunt, folksy Texas lawyer, Mr. Skilleen is representative of the new, more down-to-earth management style that is coming to dominate American Express under Mr. Gohb. Even in a suit at New York headquarters, he bears little resemblance to the corporate climbers who had dominated this most image-conscious of companies.

Over lunch recently, he described how, as a newcomer to American Express Travel Related Services, the card unit, he moved to flush away some of the bravado that had led to Optima's disastrous losses. He tightened credit standards, slowed marketing and established rewards for good customers.

American Express introduced Optima in 1987, after years of debate within the company about

how to get into the revolving-credit business. The company did not want to issue a mass-market credit card, fearing that it would undercut its green and gold charge cards. (Charge cards make their profits not by charging interest on customer balances, but by exacting higher fees from both card holders and merchants.)

And American Express did not want to simply add revolving credit to its existing accounts, because much of their perceived prestige stemmed from the fact that card holders are required to pay their bills in full each month.

But American Express had also found that many of its card holders were among the heaviest borrowers on their bank MasterCard and Visa accounts, stretching out payments and being assessed finance charges.

So to capture some of this interest being paid by its existing customers, American Express introduced Optima as a companion card, with a below-average interest rate, available for a \$15 annual fee to holders of its green and gold cards.

It was a marketing success, adding a total of 3.5 million cards at its peak in 1990, one-quarter of the holders of American Express charge cards, with loans outstanding of \$4 billion.

This seemingly brilliant compromise failed, however, because the product often attracted the worst credit risks. Mr. Skilleen said. By last year, the bad debts the American Express was writing off amounted to nearly 11 percent of its almost \$7 billion in total assets, a rate unheard of in the bank-card industry.

"People who used Optima to a certain made a decision they didn't want to or couldn't pay us back at the end of the month," he said. Ninety-five percent of customers who used the card borrowed on it, a much higher rate than for users of bank cards.

Optima did not attract those who bankers call "accidental revolvers," customers who can afford

to pay their bills but forget to every now and then, accumulating interest charges.

Without such profitable and creditworthy customers, Optima had a much higher proportion of card holders who ran into financial problems as the recession deepened.

Compounding the problem was See OPTIMA, Page 13

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But Chrysler Sees Growth In North American Market

Compiled by Our Staff From Dispatches

TORONTO — Robert J. Eaton, chairman of the revived Chrysler Corp., said Thursday that he expected North American car and truck sales to hit 15.4 million units this year, a 7.1 percent rise from 1992.

Mr. Eaton also predicted the industry's North American sales would rise to 16.8 million next year. Chrysler is poised to take advantage of the growing market with several products, notably its minivans. Mr. Eaton told shareholders at the company's annual meeting that the company was "on target" to sell 500,000 of them this year, up from 462,070 in 1992. Chrysler holds half the U.S. market for the vehicles.

Mr. Eaton, changing his first shareholders meeting since succeeding Lee A. Iacocca on Jan. 1, gave an upbeat assessment of the automaker's business. But he cautioned, "We are like a bunch of depression children. This is a company that remembers hard times, remembers the hard work and in- Mr. Eaton also predicted the industry's North American sales would rise to 16.8 million next year. Chrysler is poised to take advantage of the growing market with several products, notably its minivans. Mr. Eaton told shareholders at the company's annual meeting that the company was "on target" to sell 500,000 of them this year, up from 462,070 in 1992. Chrysler holds half the U.S. market for the vehicles.

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MARKET DIARY

Late Buying Sends Dow to a Record

NEW YORK — A flurry of buying in the final hour of trading gave the stock market a modest gain Thursday, adding to the strong advance of the previous day.

The Dow Jones industrial average was up 23.25, to 3,523.28, a record. On Wednesday, it rose 55.64 points.

Rising issues outnumbered decliners by a 4-to-3 ratio on the New York Stock Exchange, where volume fell to 279.55 million shares from 340.16 million traded Wednesday.

The rally Wednesday was spurred by a fall in bond yields below 7 percent and a drop in gold, which alleviated inflation fears. But Thursday, the 30-year Treasury bond gave up much of the previous day's gains, and its yield ended at 6.95 percent, up from 6.97 percent.

Without economic growth, the outlook for corporate earnings growth is limited. On the other hand, the gloom among professionals means that money managers

who sold stocks earlier this year have lots of money to invest now.

Tucson Electric Power was the most-active New York Stock Exchange issue, off 1/4 to 3/8. Utility stocks, which are sensitive to interest-rate fluctuations, did not take part in the otherwise widespread advance. The Dow utilities average fell 0.13, to 235.60.

Citicorp was second, up 1/8 to 28 1/2, after Chairman John S. Reed said the bank expected Christopher J. Steffen to join its management team next month.

Another AT&T-linked share did well. Microtest jumped 1 1/2 to 9 1/2 following a Wednesday announcement that AT&T would buy an undisclosed amount of cable-testing equipment from it.

Professional traders are nervous about stocks. While individual investors have been opting for equities over low-yielding certificates of deposit and other short-term credit investments, the low interest rates in those markets are a worrying sign that the U.S. economy is not likely to grow much.

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Gold prices edged higher, with gold for delivery in June rising 50 cents to \$374.70 an ounce on the Commodity Exchange.

Traders' concern about the U.S. economy was confirmed later in the day when Laura D'Andrea Tyson, head of the Council of Economic Advisors, said that estimates of economic growth in the first quarter would probably be revised downward from the 1.8 percent originally reported last month.

Slow growth means U.S. interest rates are not likely to rise soon. Trading was light largely because Europe, except for the Ascension Day holiday.

At the close in London, the dollar had slipped to 1.6135 DM from 1.6249 DM.

The dollar fell against both the Deutsche mark and the yen after the Federal Reserve Bank of Philadelphia said its May index of general business activity dropped, indicating that economic growth in the region slowed.

The Labor Department also reported that initial unemployment claims rose for the first time in four weeks.

"There's still too many questions about the U.S. recovery to get real bullish on the dollar," said Earl Johnson, foreign-exchange adviser at Harris Trust & Savings Bank.

Fears for U.S. Economy Send Dollar Downward

NEW YORK — The U.S. dollar fell broadly Thursday on new evidence of a weak U.S. economy and reports that government might seek stiffer trade concessions from Japan that would lead to a stronger yen, analysts said.

The pound surged, meantime, after the British government reported

that the country's unemployment rate dropped for the third straight month, traders said.

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Very shortly we will see El Al will be privatized," said Leon Hasdai, vice president for North and Central America. "We believe if this is going to be the case, the airline is going to get even more efficient."

El Al has been profitable for the last seven years, despite the weak state of the airline industry. It said last week it earned \$31.5 million, down 19.0 percent from \$38.9 million in 1992. The carrier blamed the drop on a fall in cargo tonnage, after one of its planes crashed in Amsterdam, and competition from charter operators. Sales rose 6.9 percent, to \$937.8 million. Cargo carried last year fell 1,000 tons, to 176,000.

El Al Expects to Be Privatized

NEW YORK — El Al Israel Airlines Ltd., a government-owned carrier that has operated under receivership since 1982, expects to be privatized soon and has seen interest from investors around the world, an executive said Thursday.

"Very shortly we will see El Al will be privatized," said Leon Hasdai, vice president for North and Central America. "We believe if this is going to be the case, the airline is going to get even more efficient."

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The Dow table showing market indices: S&P 500, NYSE, NASDAQ, etc.

NYSE Most Active table listing top trading stocks like Citicorp, RJR, etc.

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NYSE Diary table showing market activity.

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Rollwagen Withdraws as Nominee

WASHINGTON (Knight-Ridder) — President Bill Clinton's nominee for deputy Commerce secretary, John A. Rollwagen, withdrew himself Thursday from further consideration for that position.

Mr. Rollwagen, formerly chairman of Cray Research Inc., was reportedly the subject of an insider-trading investigation by the Securities and Exchange Commission. His confirmation had been delayed while the securities watchdog conducted its inquiry.

In a letter to Commerce Secretary Ronald H. Brown announcing his withdrawal from consideration, Mr. Rollwagen said he had provided background information requested by the SEC.

Citicorp Hires Former Kodak Officer

NEW YORK (AFP) — Citicorp, the biggest U.S. banking concern, said Thursday it had hired Christopher J. Steffen, the former chief financial officer of Eastman Kodak Co.

The 51-year-old Mr. Steffen will oversee Citicorp's financial controls and operations. Citicorp's chairman, John S. Reed, said he would be recommending that Mr. Steffen join the board.

Mr. Steffen, who resigned from Eastman Kodak in April, barely three months after being named chief financial officer, is known for the cost-cutting he carried out in previous posts with the computer maker Honeywell and the automaker Chrysler.

Time Warner Lifts Dividend 14%

NEW YORK (UPI) — In a sign that its fortunes may be improving, Time Warner Inc. boosted its common-stock dividend by 14 percent Thursday.

In an announcement at its annual stockholders' meeting, Time Warner said its board of directors had declared a payout of 8 cents a share, payable June 14 to shareholders of record June 2. The previous payout had been 7 cents a share.

US West Weighs Selling Finance Unit

WASHINGTON (Bloomberg) — US West Inc., fresh from an agreement to invest \$2.5 billion in Time Warner's entertainment and cable business, indicated it might sell its financial-services subsidiary.

In a Securities and Exchange Commission 10-Q filing Monday, the company presented plans to focus on modernizing its telephone network and developing new communications-related businesses.

US West said it would consider the sale of US West Capital Corp., a financial-services subsidiary.

Selling the unit could bring in more than \$1.1 billion, according to William Deatherage, a telecommunications-services analyst with S.G. Warburg & Co., who raised his rating on US West stock Thursday to buy from hold.

Hilton Hotels Revamps Operations

BEVERLY HILLS, California (UPI) — Hilton Hotels Corp. announced Thursday a reorganization to consolidate its domestic and international operations by creating two principal divisions — one for casinos and another for hotels.

Hilton also said it had formed a special team of top executives to explore opportunities for expansion.

The company said the consolidation, which will merge its international Conrad hotels into its domestic hotels division, would save \$6 million annually in administrative costs. It also said it would be able to operate more efficiently.

For the Record

The number of newly laid-off U.S. workers filing claims for jobless benefits rose by 7,000 last week, the government reported. First-time claims for unemployment insurance rose to 344,000 last week, from a revised 337,000 a week earlier, the Labor Department said.

Basic One Corp. of Columbus, Ohio announced plans to acquire Central Banking Group Inc., an Oklahoma bank and life-insurance holding company, for \$104 million in stock.

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WINE: Mondavi to Make Offering

(Continued from first finance page) Chalone also has a cross-investment arrangement with Domains Barons de Rothschild, owners of Chateau Lafite-Rothschild and other wine properties in France, Chile and Portugal.

The Mondavi share offering, prepared by Goldman, Sachs & Co. and the California underwriters Hambrecht & Quist Inc., makes no mention of junkets. But given the Mondavi flair for showmanship, the winery's new role as a public company should be fascinating to follow.

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WORLD STOCK MARKETS

World Stock Markets table showing market indices for various countries: London, Hong Kong, Singapore, etc.

World Stock Markets table showing market indices for various countries: Tokyo, Sao Paulo, Milan, etc.

COMMODITY INDEXES

Commodity Indexes table showing market activity for various commodities: Gold, Silver, Oil, etc.

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Cadbury On Prowl In Europe

Bloomberg Business News
LONDON — Cadbury Schweppes PLC, the largest British beverage and candy company, is ready to pounce on other European confectioners, its chairman said Thursday.
 "Our strategy is to develop both from the businesses we've already got and also to expand our operations and increase our size in Europe through acquisition," said Dominic Cadbury, the company's executive chairman.
 Cadbury Schweppes needs to stretch itself because it cannot squeeze much more growth from its British operations, analysts said.
 Mr. Cadbury refused to name companies in which he would be interested. "Cadbury Schweppes keeps a catalogue of possible acquisition candidates; you never know when one of these is going to be available," he said.
 The size of a target is not important, Mr. Cadbury said. "Cadbury's is as interested in the big opportunity as in smaller companies."
 One big private candy concern that might be attractive is Ferrero SpA of Italy. But Mr. Cadbury said it was not a target. "It's a family company and the founder is still very active and has two young heirs."
 Cadbury Schweppes last year bought a controlling stake in the German chocolate-maker Platen Plaster Schokoladenfabrik Hofmann GmbH. "Platen was a very important acquisition for us," Mr. Cadbury said. "We'd like to add another acquisition on to that. We could then put those two companies together... to give ourselves greater mass in Germany."

Budapest Paper Chase Hungarian Companies Bypass Banks

By Henry Copeland
Special to the Herald Tribune
BUDAPEST — Five years ago, CP meant Communist Party — the capitalist's sworn enemy. But today in Hungary, a new CP — commercial paper — is helping corporate treasurers break the stranglehold on credit exerted by the four dominant, government-controlled commercial banks.
 Now, rather than borrow from banks, Hungarian companies have the option of selling short-term promissory notes, or commercial paper, directly to cash-laden investors.
 While the fledgling 6 billion forint (\$70 million) commercial-paper market accounts for less than 1 percent of total bank lending, it has rattled complacent bankers accustomed to selling credit to a captive market, said Tamas Palotas, a manager in capital markets at Credit Suisse First Boston Budapest, which has launched three of Hungary's five CP issues.
 "When we approached Nestlé with the idea of issuing commercial paper, their banks became so angry — 'this can't be done. The market is not mature enough,'" recalled Mr. Palotas. "Then the banks said, 'we'll come down to 23 percent.' Finally, when Nestlé was getting 17 percent on its CP, the banks gave their best offer — 21 percent."
 Though there have been only four commercial-paper issues since the first program appeared last June, market participants say the volume in Hungary will double in the next month as at least three new issues are launched.
 In 1992, Hungary's big banks charged a weighted average of 31 percent for loans of less than one year, but paid only 18 percent for deposits, according to National Bank statistics. By using commercial paper to cut the banks out of the lending loop, both investors and borrowers are able to split this huge margin between themselves.
 Credit margins are especially high in Hungary as banks seek to defray the impact of new bankruptcy and accounting laws that are taking a severe toll on corporations and therefore on the balance sheet of their leaders.
 High margins also pay for computerizing and training bank staffers to evaluate credit risk. Hungarian banks "cannot handle the amount of busi-

ness that their counterparts in the west do," said Edmund Yankson, assistant director for fixed income of Creditanstalt Securities Ltd. "So their total turnover is slow and low, and to make a profit they have to use a wider spread," he explains.
 Himguard Float-Uveg Kft., which operates a \$125 million float glass factory in southern Hungary, is the latest issuer of CP in Hungary, with a 1.5 billion forint issue led by CSFB on May 10.
 Himguard's commercial paper will replace half its outstanding forint bank debt, resulting in savings of up to 500 basis points. With the global market for glass in a crunch, this cheaper funding may make the difference between profit and loss for the coming year, says the company's managing director, Lajos Sapi.
 For investors, commercial paper offers advantages over the two traditional alternatives, Treasury bills and bank deposits. The bills have grown less attractive in the last year, as the yields on six-month securities have tumbled from 27 percent to 16.5 percent. Commercial paper provides an additional one to three percent return.
 "When we price CP, we try to find some fair level — not right on top of bills, because investors wouldn't buy, and far enough below the rates banks charge to make it worth a company's effort," said Mr. Yankson of Creditanstalt.
 Several small Hungarian banks failed last year and left hundreds of depositors out of pocket. This, perversely, has also increased the appeal of commercial paper.
 Banks and corporations in Hungary are unrated, making it difficult for investors to evaluate a borrower's creditworthiness. But most CP issues in Hungary come with guarantees that obviate these risks. For example, Himguard's CP is guaranteed by its U.S. parent, Cardinal Industries, rated as A-1 by Standard & Poor's. This is a better credit rating than the sovereign debt of Hungary.
 The new popularity of the commercial-paper market presents some institutions with a dilemma, said Nivedh Khan, treasurer of Citibank in Eastern Europe. "Citibank Budapest launched the first commercial bank here as well, and this cannibalized our own earnings. But do we have a choice? If we don't do it, someone else will."

U.K. Jobless Total Slipped in April, Its 3d Fall in a Row

Compiled by Our Staff From Dispatches
LONDON — Unemployment fell slightly in April, its third monthly decline in a row, the government announced Thursday in what it called a clear sign of a British economic recovery.
 Some economists, who had predicted a rise in unemployment, said the drop may have been too small to be significant, and the opposition Labour Party charged that the data had been manipulated.
 But other analysts said the figures meant the British recovery was still on track and offset recent pessimistic indicators. The April retail sales report surprised traders Wednesday by showing a 0.3 percent decline.
 The Department of Employment said the number of unemployed people, on a seasonally adjusted basis, fell by 1,400 in April, to 2.94 million. The unemployment rate was unchanged at 10.5 percent of the work force.
 The pound rose and British bond prices fell on the news, which the financial markets guessed would make the government less likely to seek a cut in interest rates.
 Seasonally adjusted unemployment, regarded as the key underlying trend in the job market, has now tumbled by more than 50,000 since January.
 "The conditions are now firmly in place for sustained noninflationary growth and for improvement in the labor market," Employment Secretary Gillian Shephard said.
 The employment spokesman for the opposition Labour Party, Frank

Official Warns On Health Cuts

Reuters
LONDON — Such cherished benefits as subsidized dental care and free medicine for pensioners could be threatened as Britain's Conservative government seeks ways of slashing state borrowing.
 Michael Forlito, deputy to Chancellor of the Exchequer Norman Lamont, warned Thursday that there would be no "sacred cows" in a spending review due out soon.
 He said difficult choices were needed to control borrowing needs, which are expected to hit £50 billion (\$77.04 billion) in the 1993-94 fiscal year.
 Dobson, accused the government of "fiddling" the numbers by classifying some out-of-work people as not fit for employment, meaning they are not counted as unemployed.
 But Chris Dillow, U.K. economist at Nomura Research Institute, said the official figures always underestimate total unemployment because there are many people who are out of work but not registered as unemployed, such as those who are ill.
 (Reuters, AP, Bloomberg)

Investor's Europe			
Frankfurt DAX	London FTSE 100 Index	Paris CAC 40	
100	100	100	
200	200	200	
300	300	300	
400	400	400	
500	500	500	
600	600	600	
700	700	700	
800	800	800	
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1000	1000	1000	
1100	1100	1100	
1200	1200	1200	
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3800	3800	3800	
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4000	4000	4000	
4100	4100	4100	
4200	4200	4200	
4300	4300	4300	
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4600	4600	4600	
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6700	6700	6700	
6800	6800	6800	
6900	6900	6900	
7000	7000	7000	
7100	7100	7100	
7200	7200	7200	
7300	7300	7300	
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8800	8800	8800	
8900	8900	8900	
9000	9000	9000	
9100	9100	9100	
9200	9200	9200	
9300	9300	9300	
9400	9400	9400	
9500	9500	9500	
9600	9600	9600	
9700	9700	9700	
9800	9800	9800	
9900	9900	9900	
10000	10000	10000	

Very briefly:

- British Gas PLC, the former state-owned gas monopoly, said its first-quarter historic-cost profit fell 1 percent to £550 million (\$1 billion), from £538 million a year earlier; the result was at the top end of forecasts.
- Greece has abandoned plans for a quick sale of Olympic Airways and faced up to the need to overhaul the airline before privatization, according to the president of the national carrier, Emmanouil Fthenakis.
- Bank of Italy cut its discount rate to 10.5 percent from 11 percent, effective Friday. A rate cut had been expected Friday, when the government announces an additional "mini-budget" for this year.
- Laura Ashley Group PLC said its chairman, Bernard Ashley, would retire and would be replaced by Deputy Chairman Hugh Blakeway Webb from Monday. Mr. Ashley will become honorary life president.

Courtaulds Drops Arabella Pollen Line

Reuters
LONDON — Courtaulds Textiles PLC said Thursday that it was discontinuing its investment in the Arabella Pollen label, known for its crisp and colorful clothes.
 Admitting the future was bleak for young designers aiming for the world stage, Courtaulds executives said there were too many brands in a highly competitive market and the group believed Pollen could only survive "at a much larger scale."
 Arabella Pollen will continue as a consultant to Courtaulds.

OPTIMA: A Humbling Lesson for American Express

(Continued from first finance page)
American Express's growth-oriented corporate culture. As the loan losses mounted, managers in the Optima division used accounting gimmicks to hide the extent of the problem.
 Mr. Skillern, however, is an outsider to this culture. Once general counsel to the Federal Deposit Insurance Corp., he was hired in 1984 as a lawyer for IDS Financial Services, American Express's Minneapolis-based financial-planning and mutual-fund company. Mr. Gohls, then the chairman of IDS, in time assigned him to run various businesses, including IDS's bank and a start-up operation in Britain. A dog breeder, history buff and

avid theatergoer, Mr. Skillern will often insert Shakespearean quotations into his remarks at business meetings. On a bet during his time in London, Mr. Skillern stood on a table and recited, in his Texas drawl, all of Britain's rulers in chronological order.
 For all his eclectic interests, Mr. Skillern is a notably disciplined manager who concentrates his efforts on a small number of objectives.
 For Optima, Mr. Skillern is aiming to achieve a profit of 1.75 to 2 percent of assets within three years.
 He imposed much tougher procedures to prevent or reduce losses from the existing card holders. Some were as simple as calling de-

JAPAN: Trade Ministry Launches an Impassioned Defense of the System

(Continued from page 1)
 to import more. Many of the report's arguments are, in fact, similar to those made by academic economists.
 The report said that Japan's merchandise trade surplus, which rose to a record \$111 billion in the year ended March 31, had been inflated by temporary factors such as recession, which depresses demand for imports.
 But no matter how it is calculated, the ministry said, the surplus is sure to narrow in the next few years, for a variety of reasons. The Japanese population is aging, for one thing, and that should mean a higher rate of consumption — and therefore of imports — because re-

sources consume rather than produce goods.
 Moreover, according to the ministry, Japan's imports will grow more rapidly than the economy in the years ahead. As recently as 1985, each increase of 1 percent in Japan's gross national product generated about a 0.5 percent increase in imports. Now, that figure has risen to around 1.3 percent. The reason? As Japan's markets have opened to more types of foreign goods, and people's taste for luxuries has grown, a far higher percentage of imports consists of high-value manufactured products rather than raw materials.
 The report also rejects the argument that Japanese corporate be-

havior differs so greatly from that of Western companies as to constitute a trade problem.
 The bursting of the "bubble" economy of the late 1980s is causing Japanese companies to act much more like their American or British rivals, according to the ministry.
 Japanese companies indulged in "excessive levels of investment" during the bubble era and now find themselves saddled with "increased depreciation costs, raised profit-loss ratios and thus weakened competitiveness," the report said.
 In addition, productivity is being hurt by demands for shorter working hours, it said, and companies must pay more attention to staying profitable, rather than always seeking to expand market share at the expense of their competitors.

For investment information
 read THE MONEY REPORT
 every Saturday in the IHT

NASDAQ Thursday's Prices

NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

12-Month High	12-Month Low	Stock	Div	Yld	PE	52-Week High	52-Week Low	Latest Chg
100	100	IBM	4.00	4.0	12.5	100	100	0
100	100	Microsoft	0.00	0.0	15.0	100	100	0
100	100	Apple	0.00	0.0	10.0	100	100	0
100	100	Oracle	0.00	0.0	12.0	100	100	0
100	100	Sun	0.00	0.0	11.0	100	100	0
100	100	Lucent	0.00	0.0	13.0	100	100	0
100	100	Motorola	0.00	0.0	14.0	100	100	0
100	100	Intel	0.00	0.0	16.0	100	100	0
100	100	AMD	0.00	0.0	17.0	100	100	0
100	100	ATI	0.00	0.0	18.0	100	100	0
100	100	3Com	0.00	0.0	19.0	100	100	0
100	100	Perceptics	0.00	0.0	20.0	100	100	0
100	100	Viewpoint	0.00	0.0	21.0	100	100	0
100	100	NetScout	0.00	0.0	22.0	100	100	0
100	100	NetSolutions	0.00	0.0	23.0	100	100	0
100	100	NetWorld	0.00	0.0	24.0	100	100	0
100	100	NetVision	0.00	0.0	25.0	100	100	0
100	100	NetWorld	0.00	0.0	26.0	100	100	0
100	100	NetWorld	0.00	0.0	27.0	100	100	0
100	100	NetWorld	0.00	0.0	28.0	100	100	0
100	100	NetWorld	0.00	0.0	29.0	100	100	0
100	100	NetWorld	0.00	0.0	30.0	100	100	0
100	100	NetWorld	0.00	0.0	31.0	100	100	0
100	100	NetWorld	0.00	0.0	32.0	100	100	0
100	100	NetWorld	0.00	0.0	33.0	100	100	0
100	100	NetWorld	0.00	0.0	34.0	100	100	0
100	100	NetWorld	0.00	0.0	35.0	100	100	0
100	100	NetWorld	0.00	0.0	36.0	100	100	0
100	100	NetWorld	0.00	0.0	37.0	100	100	0
100	100	NetWorld	0.00	0.0	38.0	100	100	0
100	100	NetWorld	0.00	0.0	39.0	100	100	0
100	100	NetWorld	0.00	0.0	40.0	100	100	0
100	100	NetWorld	0.00	0.0	41.0	100	100	0
100	100	NetWorld	0.00	0.0	42.0	100	100	0
100	100	NetWorld	0.00	0.0	43.0	100	100	0
100	100	NetWorld	0.00	0.0	44.0	100	100	0
100	100	NetWorld	0.00	0.0	45.0	100	100	0
100	100	NetWorld	0.00	0.0	46.0	100	100	0
100	100	NetWorld	0.00	0.0	47.0	100	100	0
100	100	NetWorld	0.00	0.0	48.0	100	100	0
100	100	NetWorld	0.00	0.0	49.0	100	100	0
100	100	NetWorld	0.00	0.0	50.0	100	100	0

12-Month High	12-Month Low	Stock	Div	Yld	PE	52-Week High	52-Week Low	Latest Chg
100	100	Microsoft	0.00	0.0	15.0	100	100	0
100	100	Apple	0.00	0.0	10.0	100	100	0
100	100	Oracle	0.00	0.0	12.0	100	100	0
100	100	Sun	0.00	0.0	11.0	100	100	0
100	100	Lucent	0.00	0.0	13.0	100	100	0
100	100	Motorola	0.00	0.0	14.0	100	100	0
100	100	Intel	0.00	0.0	16.0	100	100	0
100	100	AMD	0.00	0.				

NYSE

Thursday's Closing
Tables include the nationwide prices up to the closing on Wall Street and not reflected into trades elsewhere. Via The Associated Press

(Continued)

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Last Sale, Change. Lists various stocks and their prices.

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Last Sale, Change. Lists various stocks and their prices.

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Last Sale, Change. Lists various stocks and their prices.

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Last Sale, Change. Lists various stocks and their prices.

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Last Sale, Change. Lists various stocks and their prices.

Table with columns: 12 Month High, Low, Stock, Div, Yld, PE, 52 Wk High, Low, Last Sale, Change. Lists various stocks and their prices.

INTERNATIONAL FUNDS

Quotations supplied by funds brokers. Not all securities quotations are supplied by the Funds listed with the exception of some quotes based on issue prices. The merged symbols indicate history of combined offerings (a) - daily (b) - monthly (c) - quarterly (d) - semi-annually (e) - annually.

Large table listing various international funds with columns for fund name, share price, and other details. Includes sections for NEW HIGHS, NEW LOWS, and AMEX High-Lows.

For information on how to list your fund, fax Simon OSBORN at (33-1) 46 37 21 33.

SPORTS TENNIS

Les Mousquetaires: Down to 2, Still Riding High

Christopher Clarey
Special to the Herald Tribune

PARIS — This is a city of statues. Chateaus ride high on their stilts before Notre Dame. Louis XIII holds court in the Place des Vosges, the Venus de Milo does mysteriously in a cavernous hall of the Louvre.

Even sport is not spared the monumental treatment. Roland Garros Stadium, home of the French Open, is also home to bronzes of the four Musketeers, those French heroes who won the Davis Cup six times from 1927 to 1932.

But unlike the museum busts and statuary on the quais, these works are not simply a well-placed testimony to the long-since departed. For the moment, they remain a graceful reminder of the living.

Jacques (Toto) Brugnon, the doubles specialist of *Les Mousquetaires*, died in 1978. Henri Cochet died nine years later. But René Lacoste, 88, and Jean Borotra, 94, have endured.

Saint-Jean-de-Luz, the seaside resort just south of Biarritz in the Basque country, was where Louis XIV married Maria Theresa of Spain in 1660. And it is here that René Lacoste and his wife, Simone, have their rambling villa with a view of green hills and the golf course at Chantaco.

The course was built by Lacoste's father-in-law, and the villa, a wedding present, is on a street that bears Simone's maiden name, Thion de la Chaume.

"We moved down here for good two years ago," Lacoste said. "I was born and raised in Paris, but I feel more Basque than Parisian."

Lacoste is far from robust. His fragile heart keeps him from climbing stairs, much less swinging a racket or golf club. Pens and other objects slip unexpectedly through his fingers. But his mind remains a most acute instrument. Dates do not escape him. Phone calls and other interruptions do little to break his train of thought.

"When I look at my past, I do not always understand why I am still here. But I try not to look back too often. Maybe I am wrong to do this because I could end up being dead next week, but for the moment, all I am thinking about is the future."

And for the moment, the future is being plotted in the cramped confines of his second-floor workshop.

Lacoste has excelled at many things during his life. As a tennis player, his cunning and competitiveness earned him the sobriquet "the crocodile" — an American journalist was the instigator — and he went on to win seven Grand

Slam singles titles before tuberculosis forced him to retire at the peak of his career at age 25. He later became an executive in a major French shipbuilding company and for the U.S. company Bendix. But if there is one title that always has suited him, it is "inventor."

He has held nearly 30 patents in France, Japan and the United States. He developed the first ball

with a home and double. Lacoste's attention is fixed on four pieces of white fabric that he has pinned to his desk.

"I am conducting an experiment," he said. "We are thinking about putting some new materials into our clothing, but I cannot tell you anything more than that. The patent is not approved yet."

It has been 60 years since he

created the Lacoste shirt, the short-sleeved cotton classic bearing his trademark crocodile that changed the way tennis players and, ultimately, American suburbanites dressed. Now, less than two months shy of his 89th birthday, it is precisely the pibean image of the Lacoste line in the United States that is driving him to frequent his workshop more often than his doctors and wife would prefer.

"I have always loved the United States," he said. "I played tennis in America. I worked with Americans, and I sent one of my sons to Princeton to study. My daughter, Catherine, won the U.S. Open in golf as an

amateur in 1967. Now, two of her children are studying in the States. I have many ties there, so it causes me pain to see the Lacoste line lose its allure."

The distribution rights fell into the wrong hands, and the market became flooded. But last year, we managed to buy those rights back with our traditional partners, DeVanly. Our goal is to reconquer the U.S. market, and not just with clothing, but with tennis and golf equipment. I want to recreate the luxury image of our products that exists in all other parts of the world, and it is that I am working on now. My son, Bernard, runs the company, but I am still the inventor. If it were not for this, I think I would already be dead."

With that, Lacoste gets up from his desk and walks gingerly toward the staircase that sweeps down to the living room. He descends the stairs the same way he ascends them: with the help of a motorized chair that glides very slowly along a track built into the wall.

"Doctor's orders," he says, as he inches toward the ground floor. "It's not exactly the TGV, is it?" he adds, referring to France's high-speed trains.

No train is necessary to get from Roland Garros to Jean Borotra's apartment. Lacoste's former dou-



A younger Jean Borotra, left, and René Lacoste at Roland Garros.

bles partner and closest friend occupies the fourth floor of a very elegant building on one of Paris's most elegant thoroughfares, Avenue Foch, a short taxi ride from the stadium.

After an administrative assistant opens the massive wooden doors, Borotra strides in to the foyer, his angular body remarkably undiminished by 94 years of fighting gravity. His hearing, however, has not emerged unscathed. Although he wears a hearing aid in his left ear, questions have to be shouted and then shouted again.

Borotra came late to tennis, not taking it up seriously until after World War I, in which he fought as a teenager. Born Aug. 13, 1898, in Biarritz into a proudly Basque family, he had grown up playing the local sport, pelota. One of his post-war discoveries was that tennis players, unlike pelota players, did not alternate hands according to the shot.

But the acrobatic man in the beret who would later be known as "the bounding Basque" would prove a quick study. In 1924, he broke through to win the Wimbledon and French national singles titles. He would go on to claim 17 more Grand Slam titles, 14 in doubles. But while his fellow Musketeers faded from the game or turned professional, Borotra — already well established as a top ex-

Angels Slip by Chisox in Pitchers' Duel

Compiled by Our Staff From Dispatches

One night after the American League West's first- and second-place teams stumbled through a seven-inning, 15-walk chucker, the Chicago White Sox and California Angels pitched a real gem.

Chad Curtis' single in the eighth scored the only runs as Mark Langston and Joe Grahe, who held the front-running White Sox to five hits, outpitched Jack McDowell to give the Angels a 2-0 victory in Chicago.

Langston allowed the five Chicago hits in 7 1/2 innings, walking two and striking out five. McDowell, who was bidding to become the major league's first eight-game winner this season, went the distance for the second time this season, allowing eight hits. He struck out four and walked two.

Langston departed in the eighth with one out and two runners on. Grahe walked Frank Thomas to

opened with a bounce back to Grahe, who started a home-to-first double play to get out of the jam.

Grahe struck out two batters in a perfect ninth for his fifth save.

McDowell's only flaw came in the eighth. Stan Javier singled leading off and John Orton sacrificed. Luis Polonia singled and got to second on the throw to third, then Curtis singled to right.

Royals 13, Athletics 8: Mike MacFarlane, Greg Gagne and Wally Joyner each hit two-run singles as Kansas City, playing at home, scored nine runs with two out in the first against Oakland's Shawn Hilligan, who had allowed only one earned run in his last 12 1/2 innings against the Royals.

Red Sox 10, Blue Jays 5: Dave

Stewart, coming back from an arm injury, allowed 10 runs, several hits and five walks in 1 1/2 innings as Boston beat visiting Toronto. Stewart had won 13 straight decisions against the Red Sox before losing his last start against them last season as a member of the Athletics.

Orioles 6, Indians 3: David Segui and Sherman Odomo each got three hits and three RBIs as Baltimore beat visiting Cleveland.

Odomo had two singles, his first major-league homer and first three-RBI game. Segui had his first three-RBI game since 1991.

Rick Sutcliffe had a shutout until the eighth, when the Indians ended a 23-inning scoreless streak.

Yankees 11, Twins 6: Pinch-hitter Jim Leyritz's double keyed a five-run seventh as visiting New York completed its first sweep of Minnesota since April 1988. Dan-

ny Tarabull drove in four runs with a homer and double.

Rangers 4, Mariners 3: Doug Strange singled in Ivan Rodriguez, who had hit a one-out triple in the ninth, to give Texas its victory over visiting Seattle.

Tom Henke was within one out of his eighth save when pinch-hitter Jay Buhner tied the game with his 10th homer.

The Rangers' starter, Kevin Brown, began the game second in the league in ERA at 1.69. He allowed two runs in eight innings, getting 13 ground outs. The Mariners' Erik Hanson allowed six hits, striking out a career-high 13 with one walk. He started with a league-low 1.37 ERA.

Tigers 8, Brewers 6: Tony Phillips got four of Detroit's 16 hits and drove in two runs in Milwaukee, who got two homers from Greg Vaughn.



Jeff Torborg waved to the press before the game against the Pirates, in which his last-place Mets rallied for three runs in the ninth, then won on Bobby Bonilla's two-run homer in the 10th to halt a five-game losing streak that had dropped their record to 12-25.

Less than a half-hour later, Torborg was fired as manager and replaced with Dallas Green, a former manager of the Philadelphia Phillies and New York Yankees who has been a scout for the Mets.

returned to the starting rotation from surgery on a broken finger and gave up three runs in seven innings as his ERA rose to 2.27.

Padres 7, Rockies 3: Greg Harris won his third straight despite giving up three home runs in the sixth, held visiting Cincinnati to five hits in 7 1/2 innings.

U.S., Spain Set Showdown In Team Cup

United Press International

DUSSELDORF — The United States and Spain remained on course Thursday toward a showdown that could decide which wins a record fourth title at the World Team Cup.

The United States beat Russia, 3-0, while Spain beat Switzerland, 2-1, in their Blue Group matches.

Pete Sampras defeated Alexander Volkov, 7-5, 6-1, and Michael Chang beat Andrei Chesnokov, 6-1, 6-4, to give the United States an unbeatable 2-0 lead.

Patrick McEnroe and Richey Reneberg duly completed the whitewash with a 6-3, 6-4 victory over Volkov and Andrei Olhovskoy. The U.S. team has dropped only one set so far.

Spain, the defending champion, then set up the decisive Blue Group match Saturday with the United States by winning its doubles match as Sergi Bruguera and Tomas Carbonell needed only 48 minutes to rout Jakob Hlasek and Marc Rosset, 6-2, 6-2.

Hlasek had given the Swiss a promising start with a 1-6, 6-3, 6-4 victory over Carlos Costa.

But Bruguera steamrolled Olympic champion Rosset, 6-4, 6-1, to make it 1-1 with his eighth victory in nine singles in Dusseldorf.

Sampras, who only narrowly held off Rosset in three sets Tuesday, broke Volkov in the 11th game and served out the set in the 12th.

He went on to break Volkov three times in the second for a finally comfortable victory which he secured on his fourth match point with a forehand winner.

lighter to take the pressure off his arm," said the club's director, Robert Capelle. "He is absolutely incredible."

Borotra also continues to travel. Last week, he was in London. Last month, he was in Nice for a conference and ended up awarding the trophy to Marc Gollner, the surprise winner of the city's ATP tournament. Borotra is no stranger to such ceremony. It is he who has handed the Coupe des Mousquetaires to a victorious Jim Courier the last two years at the French Open (Lacoste's health no longer permits him to make the trip to Paris). And while Lacoste watched on television from his living room in Saint-Jean-de-Luz, Borotra was getting doused with champagne two years ago in Lyon after Forget and Henri Leconte shocked the Americans to win back the Davis Cup for France after 59 years.

"We finally found our successors," Borotra said. "It was a remarkable day."

More remarkable still is that Borotra lived to see it. He was taken prisoner twice by the Gestapo during World War I. It is the first time in 1940 at the Camp d'Austerlitz as he attempted to flee Paris and the second after he resigned as minister of sport of the Vichy government in 1942 and was trying to reach North Africa.

"I was taken secretly to Sachsenhausen, which, as you probably know, was not a great place to be," Borotra said.

At Lacoste's urging, Borotra's mother, Marguerite, wrote a letter to King Gustaf V of neutral Sweden asking for his help. King Gustaf, a Francophile and ardent tennis fan, managed to make his case heard. Borotra survived the war and later was made a commander of the Legion of Honor. In 1977, 50 years after the first Davis Cup victory, which spurred the rapid construction of Roland Garros Stadium, Borotra's three fellow Musketeers were similarly honored in a ceremony at the Elysee Palace.

"When you fought in two wars among the troops like I did," he said, "there are certain memories that mark you forever. But being part of the Musketeers was one of my greatest joys. We had a marvelous camaraderie."

One day, not too far into the future, only the four statues will remain.

"The only reason I go anywhere near them is to look at the scoreboard," Borotra said, looking slightly self-conscious. "But they aren't badly done. I always have believed that the past has a place in the present."

Glavine Gets 6th Victory as Braves Blank Expos

The Associated Press

After struggling for two starts, Tom Glavine still is off to his best start in the major leagues.

He pitched a four-hitter to run his record to 6-0, and Ron Gant homered Wednesday night as the Atlanta Braves beat the visiting Montreal Expos, 1-0, for their 10th victory in 13 games.

Glavine, who won his first five decisions in 1989, struck out three and walked one in his 1 1/2 shutout and 25th complete game in the majors. He needed just 95 pitches in Atlanta's sixth shutout this season.

"This is the way I want to pitch all year long," Glavine said. "It was a big game for me after coming off two miserable starts."

He had given up 11 earned runs in 9 1/2 innings in his last two outings, getting a no-decision and pitching five innings in a 10-7 victory.

"I think I had been trying to be too perfect," said Glavine. "Tonight I attacked. I threw strikes and got some spectacular defense."

It was the first time the Expos were blanked this year, and only Glavine's fourth victory in 15 decisions against Montreal.

Glavine, the only pitcher in the major leagues to win 20 games the past two seasons, was perfect for five innings before Wil Cordero

opened the sixth with a line-drive single to right.

Gant's eighth homer this season came in the second inning off Jeff Shaw, who allowed three hits in five innings.

Giants 6, Astros 3: Willie McGee hit a two-run triple in a five-run first, when San Francisco sent eight men to the plate in sweeping the series against visiting Houston.

Marlins 5, Phillies 3: A two-run error by Philadelphia's second baseman Mickey Morandini in the seventh led to three unearned runs in Florida as the Marlins, who had been 0-16 when trailing after six innings, avoided their first series sweep.

Morandini bobbled Junior Fe-

lix's easy grounder with runners at first and second. Chuck Carr then walked on a 3-2 pitch from Mark Davis, forcing in a run to make it 3-3, and Rich Renteria put Florida ahead with a two-run single.

Cubs 5, Cardinals 3: Mark Grace's RBI single in the eighth put Chicago ahead in St. Louis after reliever Rob Murphy was late covering the bag on pinch-hitter Willie Wilson's leadoff infield hit and then threw late to second on Jose Vizcaino's sacrifice. After Grace's hit, Ryne Sandberg added a sacrifice fly.

Pitcher Rene Arocha, who defected from the Cuban national team two years ago and landed with

DENNIS THE MENACE



WHILE YOU'RE IN HERE, I'M GOING TO ANOTHER STORE AND TRY ON SOME TOYS

PEANUTS



I CAN SEE YOU NOW SITTING ON THE BENCH OF THE SUPREME COURT. THEY'D PROBABLY PUT YOU RIGHT NEXT TO JUDGE SANDRA DAY O'CONNOR

CALVIN AND HOBBES



REAR! FIVE NURMS WIGGLING, SQUIRMING, DIRTY, SLIMY NURMS! CLOSER... CLOSER!

JUMBLE

THAT SCRAMBLED WORD GAME

Identify the letter in the word that has been moved to form the scrambled word.

MIJBE
HOCEK
GALENT
BOYDUL

Now arrange the jumbled letters to form the original words. Answers are given in the box below.

BLONDIE



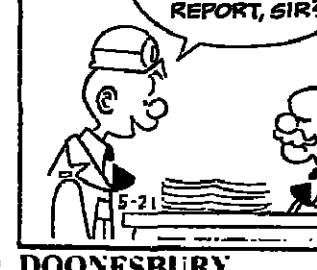
JULIE AND I WERE THE PERFECT NEWLYWEDS

WIZARD OF ID



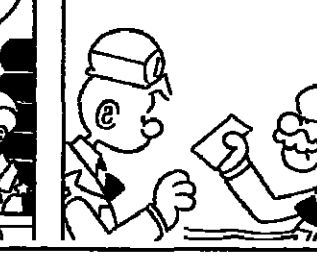
ARE YOU CONNECTED WITH THE CASTLE HERE?

BEEBLE BAILEY



HOW DID YOU LIKE MY REPORT, SIR?

REX MORGAN



I HAVE NO EXCUSE FOR WHAT I DID, PETER. I AM THE LOWEST OF THE LOW!

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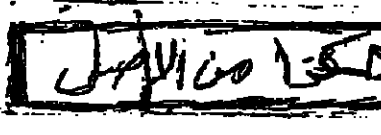
DOONESBURY



GARFIELD



SO, HOW'D THE DATE GO?



OBSERVER

Uninventing America

By Russell Baker
WASHINGTON — From last year's diary, a few ideas that meant to become columns but didn't know how:
A book title: "Why Does 1940 Now Seem Like Only Yesterday While 1890 Seemed Like the Dark Ages in 1940?"

feeling that presidents ought to be above the law. Or at least above laws that restrain them from doing things of which conservatives approve.
Question: What is conservative about this kind of thinking?

It would be terrible if things were still what they used to be, but it would be nice if a lot of things had stayed uninvented.
America the self-centered: Thought of this watching an Oliver Stone TV interview promoting his "JFK" movie. He said his "generation" (1960-ish) had been denied the great promise (??) embodied in the Kennedy assassination.

Language fatigue: Tired of "game plans" and all other sports jargon applied to real-world affairs. "In your face" is particularly loathsome. Jocks apparently say "in your face" to each other all the time, or do they? Maybe they threaten to do something "in your face" to each other. I don't know, but it sounds vile, though ESPN has been using "in your face" in an ad campaign suggesting that ESPN is the home office of fun. What, when done in your face, can possibly be fun?

So many seem to feel betrayed. Some large promise was perhaps not fulfilled? Or the promise itself, having been fulfilled, proved not worth the fulfilling? A lot of this comes from people who have been rather successful — too soon in life, perhaps? — so that it has the jaded quality of Peggy Lee's song, "Is that all there is?"

Incidentally, as long as it's a high holiday of the vulgar spirit, why doesn't anybody use "In your hat!" as a nose-thumbing expression anymore? Maybe because nobody knows what a hat is anymore. "Spokesperson" may be the worst of all feminist-lingo creations, though "spokesman" was pretty silly too. Why not ban the word "spokesperson" and substitute "mouthpiece," lovely old Depression slang for "lawyer," but in that sense it's as passé as the hat.

Maddened by Waste: Conservative's fury about Judge Lawrence Walsh, the special prosecutor investigating the Iran-contra affair, comes out of a view that their presidents have a right to cover up illegal actions in the Iran-contra operation, or at least that snoopers have no right to uncover them — and maybe also residual bitterness about Nixon's Watergate crimes being used to unhorse him.

They had not wed. On April 4, 1944, Gertrude Schindel gave birth to a son, Robert, in nearby Bad Hall. The father and mother were apprehended by the Gestapo four months later. But a sympathetic Austrian nurse hid the infant and transferred him under a false name to a home run by the National Socialist People's Welfare organization in Vienna, the writer said in an interview.

Death and Life by a Vienna Poet

By David Binder
New York Times Service

VIENNA — In an autobiographical poem, Robert Schindel describes himself as a changeling, a child secretly exchanged for another in infancy.

The Viennese writer became a changeling when he was 4 months old, in the midst of World War II. It saved his life. Now he is not only an acclaimed poet with four volumes of verse published in the last seven years, but also the writer of a best-selling novel entitled "Gebürtig," which may be translated either as "Born of" or as "Native to."

Published in 1992 by Suhrkamp in Germany, "Gebürtig" weaves together the stories of two generations of Vienna Jews, of the survivors of Nazi genocide that all but eradicated the European Jews, of their children and of the gentle Austrians with whom they consort.

The plot involves the discovery of Anton Egger, an Austrian SS camp guard who had been nicknamed the Skullbreaker by the inmates, living under an assumed name in a mountain village.

"Gebürtig" has already gone through three editions. Dutch and Russian publishers have expressed interest, and Schindel is writing a film script based on his novel.

It is a success based on rich experience and a narrow escape. In 1943, Mr. Schindel's parents, young Austrian Jews, were sent by the illegal Communist Party to Linz to create an underground network.

He recalled, "They arrived disguised as a married couple with the name of Soel, with papers showing them to be alien laborers from Alsatia."

For all the trauma of his family history, the writer, in his fourth-floor walk-up apartment overlooking the Danube Canal, seems a happy-go-lucky man, unabashedly Jewish, atheist, Viennese, leftist and very funny.

Despite the terror suffered by Jews under the Nazis here and of lingering anti-Jewish sentiments, Schindel feels comfortable. "I'm a Jew in Vienna," he said. "That's my country, my city. Less so Austria. That's a foreign country to me. Vienna is homeland. This city gives me the strength to write."

Why Vienna for him and the handful of his Jewish contemporaries? "We grew up here. It is a fascinating city. The death wish, the humor, the anti-Semitism. Those anti-Semites don't even need Jews. They don't even know any Jews. If they did they would be friends."



Robert Schindel, whose recent novel, "Gebürtig," is a best-seller.

Everybody seems to know him there as they do in the Café Zardi where he does his writing and at the Oswald and Kalb restaurant in the shadow of the St. Stephen's Cathedral where he meets friends at night.

To be with Robert Schindel is to walk through the pages of his novel and poems and to have a kind of history guide along the way. His day starts off in the Café Prückel on the Ring that encircles the inner city.

He then takes a taxi out the Praterstrasse, pointing out the houses of Arthur Schnitzler, the turn of the century writer, and Johann Strauss, the waltz king, and stopping in the Meisera restaurant near the great Prater ferris wheel.

With President François Mitterrand leading the applause, Parisians stood for 10 minutes at the Bastille Opera for an ovation to Charles Trenet, after he sang in a concert marking his 80th birthday. Trenet, for more than 60 years the main musical poet of French life, plans to perform his final concert in October, at Paris's Palais des Congrès.

PEOPLE

AIDS Gala in Cannes

Elizabeth Taylor and Sylvester Stallone topped the list of film stars who came to Cannes for an AIDS fund-raising gala Thursday night, the first charity event hosted by the Cannes film festival. Tickets for a screening of Stallone's new film, "Cliffhanger," sold for \$2,500 apiece, and a dinner afterward also went for \$2,500 a head. The proceeds will go to Taylor's American Foundation for AIDS Research.

the College of William and Mary in Williamsburg, Virginia, in 1693, it called for the appointment of a chancellor to represent the interests of the college before the crown. No matter that the college is no longer under British rule, the position survives, albeit as a totally ceremonial one. Margaret Thatcher, the former prime minister, who is now a member of the House of Lords, has been elected to serve as the 21st chancellor, succeeding Warren E. Burger, the retired chief justice of the United States, whose seven-year term as chancellor ends on June 30. George Washington was the first American to hold the position.

Los Angeles Superior Court Judge Judith Cahlin reduced to \$3.1 million the amount the actress Kim Basinger must pay a small independent studio after she backed out of the lead role in "Boyz n the City." She reduced by \$1.5 million the original \$8.5 million in damages a jury in late March had ordered Basinger to pay Main Line Pictures. But the judge ruled that she must pay more than \$700,000 for Main Line's legal fees.

Awards: Michael Jackson, who recorded the best selling album in history and drew the largest concert audiences, was honored by the Hollywood Guinness World of Records Museum. He appeared before 500 fans of all ages outside the museum. The dance teacher Jacques d'Amboise received the Distinguished Service award from the American Academy of Arts and Letters in New York while playwright David Mamet received both the award of merit medal and the prize for drama.

London's Daily Mirror says that, although an aide to Prince Charles used diplomatic language in a press briefing about his boss, the message was clear: Since his separation with Princess Diana, "Charles feels more relaxed and is back on the world stage — no longer walking in the shadow of his estranged wife." The Mirror's headline: "I'm Better Off Without Diana." For the reserved Daily Telegraph headline writer, the message was: "Prince Blossomed After His Marriage Break-Up, Says Aids."

"It sort of surprised me," Jimmy Stewart says about his 85th birthday. "After 80, the years sort of sneaked past me. I continue to be surprised. Stewart's birthday was being celebrated with two events, one private, one public. He and his wife, Gloria, were entertaining 40 friends at a birthday dinner Thursday in Beverly Hills. Eight hundred guests will then gather on Saturday at the Regent Beverly Wilshire Hotel for a benefit for Saint John's Hospital in Santa Monica. Former President Ronald Reagan will present Stewart with the first Caritas award, honoring his 40 years of support to the hospital.

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The high life: The actor Josh Naveen is accused of kicking a woman in the head during a fight at a Dallas restaurant. The woman suffered cuts, police said.

When King William III and Queen Mary II granted a charter to

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WEATHER

Weather forecast section including maps for Europe, North America, Asia, and Middle East, with temperature and precipitation data.

CROSSWORD

Crossword puzzle section with clues and a grid. Clues include: 1 Spa facilities, 2 Early weapon, 11 Cold and damp, 14 Cheerless, 15 In days ahead, 16 Lawyers' org., 17 Sports prize sought in 1992, 19 Akita or schipperke, 20 Site for 17 Across, 21 Digression, 23 Objectives, 24 Divine ones, 25 Farm for Red?, 29 A U.S. vice admiral in W.W.II, 30 Suffer, 31 Inane, 32 Conner's participant in race for 17 Across, 33 Family derivation, 40 Mobile wool factory?, 41 Late comedienne Fields, 42 Availability, 43 Urban, 44 Not feel record, e.g., 45 Mushroom maker?, 46 Spinmaker's birthplace, 47 Angry sound of 1983 history-maker of 1983, 48 Sports, 49 Shock sound, 50 Singer Coolidge, 51 Banned spray, 52 Shell, 53 Move slowly, 54 Foli's cousin, 55 Runs up, 56 Certain dir., 57 Desert shrub, 58 Winter sight in Me., 59 "boy!", 60 Albania's ex-president, 61 Synphony instruments, 62 Machine gun, 63 Jade, 64 Part of the 50th, 65 Egypt and Syria, once, 66 Abdr., 67 B'way warning, 68 Do a grammar job, 69 Sounds of reproach, 70 B'way warning.

BOOKS

GERALD BRENNAN: The Interior Castle

By Jonathan Gathorne-Hardy. 672 pages. \$35. W. W. Norton. Reviewed by Richard Eder

GERALD BRENNAN has a street named after him in Spain. In the "Oxford Companion to English Literature" he gets 10 lines, little more than a footnote by that publication's companionable standards. To Spaniards, he holds a place not far short of De Tocqueville's in the United States: the rare foreigner who could tell them something about themselves. Whereas in Britain, when his obituaries appeared in 1985, the news was not that he had died but that he was still alive. If almost any literate English person

under 40 had been asked about him, the answer would have been a question, or several: Didn't he write something about the Spanish Civil War? And didn't he have something to do with Bloomsbury? And didn't he live in a remote Spanish village and have lots of visitors? The answer is yes. "The Spanish Labyrinth," published four years after the Civil War ended, was the first major historical perspective on a conflict treated until then in terms of drama and ideological passion. It was written with wit, lucidity and a Gibbon-like sweep, as well as a human detail earned by years of living in southern Spain. Brennan was a junior member of Bloomsbury who came and went. He was not up to its high standards of rational discourse and judgment though the elect thought he was

promising, and E. M. Forster came over at bedtime to inspect him. Romantically, though, he was quite at their level of carnal confusion. He had a passionate and partly physical affair — protracted kissing and writing, mostly — with Dora Carrington, who lusted incorporeally for Lytton Strachey and slept distractedly with another Bloomsburyer, Ralph Partridge. In the 1920s, Brennan spent three years or so in Yegea, a remote hamlet in the Sierra Nevada. Before and after the Civil War, he lived in Churruana, near Málaga, and in his last years he moved to Albaurin, a hamlet farther up in the hills. Over the years his visitors included Bloomsburyites who arrived by donkey over the mountains, complained about the food and fleas, and boasted about their adventure for years afterward. Strachey, pale

as a celery stalk under his sunshade, suffered pitifully from piles and punctuated his donkey's amble with occasional moans of "Death!" When Brennan was 88, the British ambassador, Sir Richard Parsons, left his Rolls-Royce down on the highway and tramped up to Albaurin with two bottles of champagne and the order of Commander of the British Empire. After bestowing the honor and finding Brennan near blind and too tired to talk, he read Browning to him. Later, unaware that his visitor had been holding a book, the writer remarked to a friend that "the range of culture in general and especially the knowledge of poetry now thought necessary for senior diplomatic posts was quite amazing." Jonathan Gathorne-Hardy's biography, whose 672 pages, with four appendices and lavish footnotes,

may seem out of proportion to those 10 lines in the Oxford. Yet, it is a remarkable book. The author portrays one of the last in a generation of great English eccentrics, and he has done it with a perception, a passion and sometimes an eccentricity that matches his subject. Gathorne-Hardy made friends with Brennan in his later years, and at times his book has the feel of a memoir as much as a biography. Drawing on Brennan's books, published memoirs and a wealth of

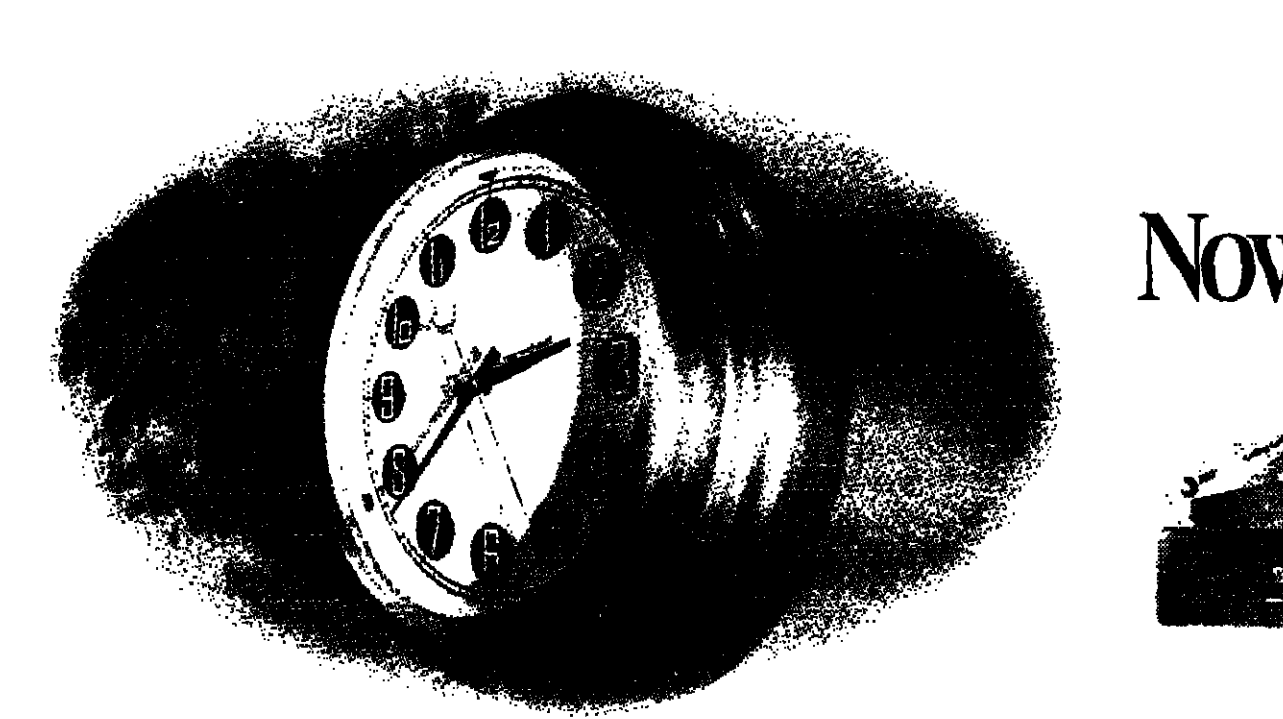
unpublished correspondence, Gathorne-Hardy gives a vivid picture of Brennan at all ages. An adolescent aesthete, he defied his father's prescription of a military career and ran off for a six-month walking tour of Europe.

Brennan was married, more or less happily. For his wife, Gamel, a talented minor poet and novelist, things were less happy. Her husband kept falling in love with younger and younger women and telling everyone about it. He wrote to Ralph Partridge and V. S. Pritchett of his obsessive sexual passion for his daughter, Miranda, with whom he bathed naked until she was 16. Gathorne-Hardy reports that Brennan was largely impotent. He estimates that his accounts of many of his numerous "affairs" were exaggerated.

Thinking of himself as a poet and novelist, Brennan wrote amazingly badly until he was 50 and discovered Spain, not as a place, but as a subject and as a form. He began a series of books — "Labyrinth," "The Literature of the Spanish People" and "The Flag of Spain" and "South from Granada" — remarkable portraits of the Spanish landscape and character — that are aesthetically factual but through which poetry works all but invisibly. Spain liberated in Brennan a creative energy that he was never able to exercise at home. It is an odd example, perhaps, of the domestic inhibitions that allowed so many English Edwardians and Victorians to be themselves only when abroad. Richard Eder is on the staff of the Los Angeles Times.

WHAT THEY'RE READING

Arata Isozaki, one of Japan's leading architects, is reading "The Heidegger Controversy: A Critical Reader," a collection of essays about the influential German philosopher Martin Heidegger. "My main interest is to establish a theory of architecture, and to read in other fields is key to confirming and explaining my ideas." (Steven Brill, IHT)



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